SEC Number **PW-225**

GLOBALPORT 900, INC.

(Company's Full Name)

Unit 2701 One Corporate Centre
Meralco Ave. cor. Julia Vargas Ave.
Ortigas Center, Pasig City 1605
(Company's Address)

(632) 8637-8851
(Telephone Number)

December 31
(Fiscal Year End)

Definitive Information Statement
SEC Form 20-IS
FORM TYPE

____
(Secondary License Type and File Number)

GLOBALPORT 900, INC.
Unit 2701 One Corporate Centre, Meralco Ave. cor. Julia Vargas Ave.
Ortigas Center, Pasig City 1605

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

NOTICE IS HEREBY GIVEN, that the Annual Stockholders' Meeting ("ASM") of **GLOBALPORT 900, INC.** (the "Company" or "PORT") will be held on 30 June 2022, Thursday, at 2:00 P.M. and shall be conducted via remote communication through videoconferencing. The details and link to the virtual meeting will be provided via email to all confirmed and validated stockholders, for the purpose of taking up the following:

I. Call to Order
II. Certification of Notice and Quorum
III. Approval of the Minutes of the Special Stockholders' Meeting held on 12 January 2022
IV. Presentation and Approval of the 2020 Audited Financial Statements
V. Confirmation and Ratification of Corporate Acts of the Board of Directors, Officers, and Management since the date of the last Stockholders' Meeting
VI. Approval of the Amendments to the Company's Articles of Incorporation
VII. Election of the Members of the Board of Directors
VIII. Other Matters
IX. Adjournment

Please refer to ***Annex 1*** for a brief discussion of, and rationale for, the above agenda items.

Only stockholders of record date at the close of business hour on **31 May 2022**, the record date and time fixed by the Board of Directors, are entitled to notice and to vote at said meeting.

In light of the COVID-19 pandemic, the ASM shall be held virtually and stockholders may attend and participate via remote communication. The right to vote of stockholders on the matters to be presented at the 2022 ASM may be exercised *in absentia* thru the Ballot/Proxy Form.

Stockholders intending to attend the meeting by remote communication should notify the Company not later than 23 June 2022 at 5:00PM. The procedures and details for participation and attendance in the ASM through remote communication and voting *in absentia* are set forth in ***Annex 2***.

Pursuant to SEC Notice dated 16 February 2022, the copy of the Notice of the ASM and 20-IS, and the Ballot/Proxy Form will be posted on the Company's website and is accessible through PSE Edge. A copy of the Annual Report (SEC Form 17A) for the fiscal year 2020 will likewise be posted on the Company's website accessible at: https://www.globalport900.com.

The entire proceedings of the ASM will be recorded by the Company and the visual and record copy shall be kept by the Company in accordance with the Revised Corporation Code of the Philippines and related regulations.

The Corporation or any of its directors or officers is not soliciting any proxy.

Pasig City, 06 June 2022.

For the Board of Directors.

AGNES H. MARANAN
Corporate Secretary

ANNEX 1

EXPLANATION AND RATIONALE OF AGENDA ITEMS FOR THE ANNUAL STOCKHOLDERS' MEETING OF GLOBALPORT 900, INC. TO BE HELD ON 30 JUNE 2022

I. Call to Order
Our Chairman will formally open the meeting at 2:00 P.M.

II. Determination and Certification of Quorum
The Corporate Secretary will certify that written notice for the meeting was duly sent to stockholders and that a quorum exists for the transaction of business.

III. Approval of the Minutes of the Special Stockholders' Meeting held on 12 January 2022
The minutes of the meeting held on 12 January 2022 will be available for download at the Company website.

IV. Presentation and Approval of the 2020 Annual Report
The Audited Financial Statements (AFS) for the year ended 31 December 2020 will be presented to the stockholders for their approval at least 21 days prior to the meeting. The AFS will be embodied in the Information Statement to be sent to the stockholders.

V. Confirmation and Ratification of Corporate Acts of the Board of Directors, Officers, and Management since the date of the last Stockholders' Meeting
All acts and resolutions of the Board of Directors and all the acts of Corporate Officers and the Management taken or adopted since the last stockholders' meeting will be submitted for ratification. A brief summary of the resolutions and actions is set forth in this Information Statement for this meeting.

VI. Approval and Ratification of the Amendments to the Articles of Incorporation
Submit to the stockholders, for their approval and ratification, the amendment of the Primary Purpose of the Company to give emphasis to the port maintenance and operations business of the Company and its subsidiaries.

VII. Election of the Members of the Board of Directors
The Corporate Secretary will present the names of the persons, whose background information are contained in the Information Statement, who have been duly nominated for election as directors of the Company in accordance with the By-Laws and Manual on Corporate Governance of the Company and applicable laws and regulations. The voting procedure is set forth in ***Annex 2***.

VIII. Other Matters
The Chairman will open the floor for comments and questions by the stockholders. Stockholders may send their questions and/or comments prior to or during the meeting to info@globalport.com.ph.

IX. Adjournment

ANNEX 2

GLOBALPORT 900, INC.
ANNUAL STOCKHOLDERS' MEETING
30 June 2022, 2:00 P.M.

Requirements and Procedure for Participation in the ASM through Remote Communication and Voting *In Absentia*

In light of the COVID-19 pandemic, **GLOBALPORT 900, INC.**'s (the "Company") 2022 Annual Stockholders' Meeting ("ASM") will be conducted virtually via Zoom on 30 June 2022, Thursday, at 2:00 P.M.

1. Stockholders of record as of **31 May 2022** who intend to attend and participate at the meeting through remote communication are requested to notify the Company and register via email to info@globalport.com.ph.

2. **Registration:**

Who May Register:	Stockholders-of-record as of **31 May 2022**
When To Register:	Registration period shall be from 13 June 2022 and will close at 5:00PM on 23 June 2022 ("Registration Period"). Stockholders who fail to register during the Registration Period may no longer avail of the option to electronically participate at the ASM and vote by remote communication or *in absentia*.
How to Register:	Stockholders are requested to send a notification to info@globalport.com.ph with the subject "PORT 2022 ASM" with the following information: (a) Name; (b) Address; and (c) Contact Number, together with scanned or digital copies of the documents listed below, within the Registration Period, for validation: **Individual Stockholders (Direct Owners):** ▪ Front and back portions of the Stockholder's valid government-issued identification card with photo and signature. **Corporate Stockholders (Direct Owners):** ▪ Secretary's Certificate attesting to the authority of the representative to vote for and on behalf of the corporation; ▪ Front and back portions of a valid government-issued identification card with photo and signature of the Stockholder's representative; and ▪ Contact number of the Corporate Stockholder's Secretary. **Broker Accounts (Individual or Corporate):** ▪ Broker's Certification on the Stockholder's number of shareholdings; ▪ Secretary's Certificate attesting to the authority of the representative to vote for and on behalf of the corporation (for Corporate Stockholders); ▪ Front and back portions of a valid government-issued identification card with photo and signature of the Stockholder's representative (for Corporate Stockholders); ▪ Front and back portions of the Stockholder's valid government-issued identification card with photo and signature (for Individual Stockholders); and ▪ Contact number of the Corporate Stockholder's Secretary (for Corporate Stockholders). In addition, Stockholders who wish to attend by proxy shall also submit the following: ▪ Ballot/Proxy Form duly signed by the Stockholder; ▪ Name, Address, and Contact Number of the appointed proxy; and ▪ Front and back portions of a valid government-issued identification card with photo and signature of the Stockholder's proxy.

	A Stockholder may also appoint the Chairman of the ASM as his/her/its proxy.
Validation of Registration:	The validation of the Stockholder's registration shall be completed by the Company within three (3) business days from receipt of the complete requirements. The Company will send an email confirming the successful validation of the Stockholder's registration with a link to the virtual meeting room.

3. **Voting *in absentia* or by Proxy**

Stockholders who want to vote *in absentia* or by proxy in the ASM shall use the **Ballot/Proxy Form** attached as ***Annex 3*** and comply with the following procedures and requirements:

Who May Vote:	Stockholders of record as of **31 May 2022**
Manner and Methods of Voting:	For the ASM, voting shall only be allowed through proxy or *in absentia* by accomplishing the Ballot/Proxy Form. ▪ For election of directors, each common share shall be entitled to nine (9) votes and the registered Stockholder can elect to have all votes cast in favor of one director or in any manner he chooses, provided the total number of votes cast shall not exceed nine (9) votes per share held. ▪ For items other than the election of directors, the registered Stockholder has the option to vote: Yes, No, or Abstain. The vote is considered cast for all the registered Stockholder's shares. Only the votes cast by duly registered Stockholders/Proxies shall be counted.
When To Submit the Proxy/Ballot Form:	An advanced copy of duly accomplished and signed* Ballot/Proxy Form shall be submitted through email to info@globalport.com.ph during the Registration Period. Email submission may be made together with the registration requirements, or through a separate email with the subject "PORT 2022 ASM". Hard copy of the originally signed Ballot/Proxy Form shall be sent to the Office of the Corporate Secretary of the Company at Unit 2701 One Corporate Centre, Meralco Ave. cor. Julia Vargas Ave., Ortigas Center, Pasig City 1605, Philippines. After submission of the Ballot/Proxy Form, the stockholder may no longer change his/her vote. **The Company shall accept electronic signature and digital signatures, or a scanned copy of the Ballot/Proxy Form signed by wet-ink. However, the Company reserves the right to request additional information, and original signed copies of Ballot/Proxy Form at a later date, as it deems necessary.*
Tabulation and Validation of Votes:	All votes cast through Ballot/Proxy Forms shall be validated and tabulated on 24 June 2022 at 2:00 P.M. at the Office of the Corporate Secretary of the Company at Unit 2701 One Corporate Centre, Meralco Ave. cor. Julia Vargas Ave., Ortigas Center, Pasig City 1605, Philippines. Final tally of votes shall be announced during the ASM.

4. The virtual meeting room will be opened 1 hour before the schedule. Registered Stockholders shall

write their full name, surname first followed by their first name, upon joining the virtual meeting room.

5. Stockholders may send their questions and/or comments prior to or during the meeting to info@globalport.com.ph. The Corporate Secretary shall raise the questions on behalf of the Stockholder.

6. The proceedings of the meeting will be recorded. Copy of the visual and audio recording of the proceedings of the ASM shall be kept by the Company.

ANNEX 3

GLOBALPORT 900, INC.
ANNUAL STOCKHOLDERS' MEETING
30 June 2022, 2:00 P.M.

BALLOT / PROXY FORM

☐ **Vote by Ballot**: The undersigned stockholder of **GLOBALPORT 900, INC.** (the "Company") casts his/her vote on the agenda items for the Annual Stockholders' Meeting, as expressly indicated with **X** in this ballot.
☐ **Vote by Proxy**: The undersigned stockholder of the Company hereby appoints ________________________ or in his absence, the Chairman of the meeting, as attorney-in-fact and proxy, with power of substitution, to represent and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Stockholders' Meeting of the Company on 30 June 2022 and at any of the adjournments thereof for the purpose of acting on the following matters:

Proposal	Yes	No	Abstain
1. Approval of the Minutes of the Special Stockholders' Meeting held on 12 January 2022			
2. Approval of the 2020 Annual Reports and Audited Financial Statements			
3. Confirmation and Ratification of Corporate Acts of the Board of Directors, Officers, and Management since the date of the last Stockholders' Meeting			
4. Approval of the Amendments to the Company's Articles of Incorporation as summarized in the Information Statement			

5. Election of the Members of the Board of Directors, including the Independent Directors

Name	Number of Votes[1]
Sheila Marie B. Romero	
Mikaela Louise B. Romero	
Edwin Joseph G. Galvez	
Marvee M. Espejo	
Henry Rophen B. Virola	
Walter Enriquez R. Ramos	
Ariel R. Arriola *(Independent Director)*	
Alejandrino J. Ferreria *(Independent Director)*	
Lara Victoria Estevez-Austria *(Independent Director)*	

Number of Shares Held	Printed Name and Signature of Stockholder	Date

This Ballot/Proxy Form, when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction is made, this proxy will be voted for the election of all nominees and for the approval of all matters stated above and for such matters as may properly come before the meeting in the manner described in the Information Statement and/or as recommended by Management of the Board of Directors. A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised.

This Ballot/Proxy Form should be received by the Corporate Secretary on or before 5:00 P.M. of 23 June 2022. Please see the **Requirements and Procedure for Participation in the ASM through Remote Communication and Voting *In Absentia*** for the complete guidelines in the submission of this Ballot/Proxy Form.

[1] Stockholders shall have the right to vote the number of shares of stock standing, on record date, in his own name on the stock and transfer book of the Company; and such shareholder may vote such number of shares for as many individuals as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them in the same principle among as many candidates 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 as shown in the books of the Company multiplied by the whole number of directors to be elected.

THIS IS NOT A PROXY SOLICITATION

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

   [**x**] Definitive Information Statement

2. Name of Registrant as specified in its charter:
   GLOBALPORT 900, INC. *(Formerly: MIC Holdings, Inc.)*

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

4. SEC Identification Number: **PW-225**

5. BIR Tax Identification Code: **000-477-902**

6. Address of principal office/Postal Code: **Unit 2701 One Corporate Centre, Meralco Ave. cor. Julia Vargas Ave., Ortigas Center, Pasig City 1605**

7. Registrant's telephone number, including area code: **(632) 8637-8851**

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

   30 June 2022, Thursday, at 2:00 P.M. via remote communication through videoconferencing and presided at the principal office at Unit 2701 One Corporate Centre, Meralco Ave. cor. Julia Vargas Ave., Ortigas Center, Pasig City 1605

   The details and link to the virtual meeting will be provided to stockholders-of-record who register to confirm their attendance.

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **08 June 2022**

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

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common Stock (Outstanding)	**2,335,134,100**
Common Stock (Treasury)	**201,500**
Total Issued Shares	**2,335,335,600**

11. 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, Inc. **54,212,200 Common Shares**

PART I – INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

ITEM 1. DATE, TIME AND PLACE OF MEETING OF SECURITY HOLDERS

a. Date of Meeting: 30 June 2022 (Thursday)
Time of Meeting: 2:00 P.M.
Place of Meeting: The Annual Stockholders' Meeting shall be conducted via remote communication through videoconferencing and presided at the Company's principal office. The information about said virtual meeting will be provided to stockholders-of-record who register to confirm their attendance.
Principal Office: Unit 2701 One Corporate Centre, Meralco Ave. cor. Julia Vargas Ave., Ortigas Centre, Pasig City 1605

b. The Company intends to send the Information Statement to its stockholders on **08 June 2022**.

Pursuant to Section 49 of the Revised Corporation Code of the Philippines and SEC Memorandum Circular No. 3, Series of 2020, written notice of the 2022 ASM shall be sent to all stockholders as of Record Date (31 May 2022) at least twenty-one (21) calendar days prior to the date of the meeting.

The Notice of 2022 ASM shall be distributed to stockholders by way of publication in the business sections of The Manila Times and Malaya Business Insight, both newspapers of general circulation, in print and online format, for two (2) consecutive days on 08 and 09 June 2022.[2]

Likewise, digital copies of the Notice and the Procedures of the 2022 ASM, together with this Information Statement, shall be made available online and viewed on the Company's page in the Philippine Stock Exchange Edge System and on the Company's website.

**WE ARE NOT ASKING YOU FOR A PROXY THROUGH THIS DOCUMENT.
YOU ARE REQUESTED TO SEND US A PROXY THROUGH A PROXY FORM.**

ITEM 2. DISSENTERS' RIGHT OF APPRAISAL

In case of any amendment of the Articles of Incorporation of the Company which has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence, or in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets, or in case of merger or consolidation, or in case of investment of corporate funds for any purpose other than the primary purpose of the corporation, a dissenting stockholder may demand payment of the fair value of his shares by voting against the proposed corporate action and making a written demand on the Company within thirty (30) days after the date on which the vote was taken; otherwise, the failure to make the demand within the said period shall be deemed a waiver of the appraisal right of the dissenting stockholder. Within ten (10) days after demanding payment of his shares, the dissenting stockholder shall submit the certificate(s) of stock representing his shares to the Company for notation thereon that the shares are dissenting shares; otherwise, his failure to do so shall, at the option of the Company, terminate his appraisal rights.

If the proposed corporate action is implemented or effected, the Company shall pay to such stockholder, upon surrender of the certificate(s) of stocks 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

[2] Following the procedures in SEC Notice dated 16 February 2022 on the Alternative Mode for Distributing and Providing Copies of Notice of Meeting, Information Statement, and Other Documents in Connection with the Holding of Annual Stockholders' Meeting for 2022.

the corporate action was approved by the stockholders, the withdrawing stockholder and the Company 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 Company and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the Company within thirty (30) days after the award is made, provided that the Company has unrestricted retained earnings in its books to cover such payment and that upon payment by the Company of the agreed or awarded price, the stockholder shall immediately transfer his shares to the Company.

Any other right or action arising from the exercise of a dissenting stockholder of his appraisal rights shall be governed by and in accordance with Title X of the Revised Corporation Code of the Philippines.

ITEM 3. INTEREST OF CERTAIN PERSONS IN MATTER TO BE ACTED UPON

Except as may be stated hereunder, none of the members of the Board of Directors or senior management of the Company have any substantial interest in the matters to be acted upon by the stockholders in the Annual Stockholders' Meeting.

None of the members of the Board of Directors has informed the Company in writing of any intention of opposing any action intended to be taken by the Company during the scheduled Annual Stockholders' Meeting.

B. CONTROL AND COMPENSATION INFORMATION

ITEM 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

a. Voting Securities Entitled to Vote at the Special Stockholders' Meeting

As of 31 May 2022, there are 2,335,134,100 fully paid, issued and outstanding common shares (net of 201,500 treasury shares not entitled to vote), entitled to vote at the Annual Stockholders' Meeting. Of the Company's issued shares, 54,212,200 are listed with the Philippine Stock Exchange, Inc. Only stockholders of record at the close of business on 31 May 2022 are entitled to notice of and to vote at the Annual Stockholders' Meeting. Each stockholder shall have one (1) vote for every share held as of record date, except for election of directors where cumulative voting shall apply.

b. Record Date

The record date for the determination of stockholders entitled to notice and to vote at the meeting is **31 May 2022**.

c. Election of Directors

All stockholders of common shares as of the record date are entitled to cumulative voting rights with respect to the election of the directors.

In cumulative voting, a stockholder may cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his shares. The votes shall be equal, or by distributing such votes based on the same principle, among any number of candidates.

d. Security Ownership of Certain Record and Beneficial Owners and Management

The table below shows the persons known to the Company as of 23 May 2022 to be directly or indirectly the record or beneficial owner of more than five percent (5%) of the Company's voting securities:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Ownership with Record Owner	Citizenship	No. of Shares Held	Percentage to authorized capital stock
Common	Sultan 900 Capital, Inc. Manila Harbour Centre, R-10 Vitas Tondo, Manila Majority Shareholder	Sheila Marie B. Romero	Filipino	2,101,617,900	89.99988%
Common	ASPAC Logistics & Trading PTY. LTD. IFC Chamber Rd Town, Tortola BVI	-	BVI	126,000,000	5.39583%

As of 31 May 2022, the Company knows of no persons, other than the foregoing, who, directly or indirectly, are the record and/or beneficial owners of more than five percent (5%) of any class of the Company's voting securities. For purposes of the 30 June 2022 Annual Stockholders' Meeting, Sultan 900 Capital, Inc. is appointing Mr. Edwin G. Galvez as Proxy to vote its 2,101,617,900 common shares.

e. Security Ownership of Management as of 31 May 2022

The table below shows the securities beneficially owned by all directors, nominees and executive officers of the Company as of 31 May 2022:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	Percent of Class
		Amount	Nature		
Common	Sheila Marie B. Romero	100	Direct	Filipino	0.000004%
Common	Mikaela Louise B. Romero	100	Direct	Filipino	0.000004%
Common	Edwin Joseph G. Galvez	100	Direct	Filipino	0.000004%
Common	Marvee M. Espejo	100	Direct	Filipino	0.000004%
Common	Henry Rophen B. Virola	100	Direct	Filipino	0.000004%
Common	Walter Enrique R. Ramos	100	Direct	Filipino	0.000004%
Common	Ariel R. Arriola	100	Direct	Filipino	0.000004%
Common	Dennis M. Morada	100	Direct	Filipino	0.000004%
Common	Agnes H. Maranan	100	Direct	Filipino	0.000004%
TOTAL		**900**			**0.000036%**

Directors and Officers as a group hold a total of 900 shares, equivalent to approximately 0.000036% of the Company's issued and outstanding capital stock.

f. Voting Trust of 5% or More

The Company is not aware of any voting trust or similar arrangements involving securities of the Company or of any person who holds more than five percent (5%) of a class of securities under a voting trust or similar agreements.

g. Changes in Control

The Company is not aware of any change in control beginning of the last fiscal year.

ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

a. The Board of Directors

The incumbent Directors of the Company were elected during the special stockholders meeting held on 12 January 2022. The Directors of the Company are elected at the Annual Meeting of Stockholders to hold office until their successors are duly elected and qualified. The Executive Officers hold office until their respective successors have been elected and qualified.

The following are the incumbent directors of the Company, with their respective ages and citizenships, and period of service in the Company:

Name	Age	Position	Citizenship	Years in Office
Sheila Marie B. Romero	50	Chairperson	Filipino	12 January 2022 - present
Mikaela Louise B. Romero	28	Vice-Chairperson	Filipino	12 January 2022 - present
Edwin Joseph G. Galvez	53	Director	Filipino	12 January 2022 - present
Marvee M. Espejo	48	Director	Filipino	12 January 2022 - present
Henry Rophen B. Virola	51	Director	Filipino	12 January 2022 - present
Walter Enrique R. Ramos	53	Director	Filipino	12 January 2022 - present
Ariel R. Arriola	51	Independent Director	Filipino	12 January 2022 - present
Dennis M. Morada	51	Independent Director	Filipino	12 January 2022 - present

Mr. Sherwin L. Mendiola was also elected as Independent Director of the Company on 12 January 2022, serving as such until his resignation on 06 April 2022.

The following are the incumbent officers of the Company, with their respective ages and citizenships, and period of service in the Company:

Name	Age	Position	Citizenship	Years in Office
Sheila Marie B. Romero	50	President	Filipino	12 January 2022 - present
Agnes H. Maranan	61	Corporate Secretary	Filipino	29 September 2017 - present
Jansen F. Bernardo	32	Assistant Corporate Secretary	Filipino	12 January 2022 - present
Walter Enrique R. Ramos	53	Treasurer	Filipino	12 January 2022 - present
Paul Vincent T. Cunanan	34	Compliance Officer	Filipino	12 January 2022 - present
Dan Jorge L. Leyson	32	Internal Auditor	Filipino	12 January 2022 - present

b. Nominees for Election as Members of the Board of Directors

The nominees for election to the Board of Directors on 30 June 2022 are as follows:

1. Sheila Marie B. Romero
2. Mikaela Louise B. Romero
3. Edwin Joseph G. Galvez

4. Marvee M. Espejo
5. Henry Rophen B. Virola
6. Walter Enrique R. Ramos
7. Ariel R. Arriola – Independent Director
8. Alejandrino J. Ferreria – Independent Director
9. Lara Victoria Estevez-Austria – Independent Director

The Corporate Governance Committee and the Board evaluated the qualifications of the nominees for independent directors, Atty. Ariel R. Arriola, Prof. Alejandrino J. Ferreria, and Atty. Lara Victoria Estevez-Austria for election during the 2022 ASM. The nominees for independent directors were nominated by Mr. Edwin Joseph G. Galvez. There is no relationship between them.

The nominated independent directors have certified that they possess all the qualifications and none of the disqualifications of an independent director as provided for in the Securities Regulation Code ("SRC"). The Certifications of the nominated independent directors, in compliance with SEC Memorandum Circular No. 5, Series of 2017, are attached hereto as ***Annexes "A-1"***, ***"A-2"***, and ***"A-3"***.

Rule 38.8 of the Implementing Rules and Regulations of the SRC and the Manual on Corporate Governance of the Company provide that the nominations of independent directors shall be conducted prior to a stockholders' meeting. All recommendations shall be signed by the nominating stockholder together with the acceptance and conformity by the would-be nominees.

All the nominees for election to the Board of Directors shall satisfy the mandatory requirements specified under the law, the Corporation's by-laws, and its Manual for Corporate Governance.

The following information is furnished with respect to the business experience of each nominated director and officer of the Company for the past five (5) years:

SHEILA MARIE B. ROMERO *(50, Filipino)* serves as Chairperson, Chief Executive Officer, Director and/or Officer of various companies engaged in aviation, power generation, real estate and infrastructure development, hospitality management, F&B, and port terminal management operation businesses. She is the incumbent Chairperson, President, and Chief Executive Officer of Globalcity Mandaue Corporation, the corporation spearheading and managing the reclamation and development of the 131-hectare Mandaue Global City in Cebu, and Sultan 900 Capital, Inc. Ms. Romero also serves as the Chairperson of Globalport Terminals Inc. (formerly: Harbour Centre Port Holdings, Inc.) and its subsidiaries, Belgrove Power Corporation, CapitalONE Energy, Inc. (formerly: T N R Holdings Inc.), and F & S Holdings, Inc. She likewise serves as the President and Chief Executive Officer of Roku Group of Companies, Oracle Hotel and Residences, and I Want To Share Foundation. Ms. Romero obtained a degree in BS Applied Economics Major in Financial Economics and BS Management of Financial Institutions from the De La Salle University.

MIKAELA LOUISE B. ROMERO *(28, Filipino)* is a member of the Board of Directors of Globalport Zamboanga Terminal Inc., Globalport Ozamiz Terminal Inc., Globalport Iligan Terminal Inc. and Globalport Tacloban Terminal Inc. Ms. Romero is also an entrepreneur and restauranteur and the incumbent Managing Director of Sushi Nori and a Managing Partner of Roku Sushi + Ramen. Ms. Romero is in-charge of the day-to-day operations, food development, marketing, human resource, and accounting of the said companies. She graduated from Ateneo de Manila University with a degree in Management Economics.

EDWIN JOSEPH G. GALVEZ *(53, Filipino)* has more than Thirty-two (32) years of experience in comptrollership, corporate and project finance, and management and directorial functions in the field of port management, shipping, construction, real estate, waste management, and power and energy. Mr. Galvez was the Chairman of Globalport 900, Inc. until January 2022. He is the incumbent Chairman of the Board of Directors of Sultan 900 Capital, Inc., Mikro-Tech Capital, Inc., and Zamboanga City Integrated Port Services, Inc. Mr. Galvez also serves as the President and Director of Crowninvestment Holdings Inc., F & S Holdings, Inc., One Power Systems Holdings Inc., Fort Pilar Energy, Inc., and CapitalONE Energy, Inc. (formerly: T N R Holdings Inc.). He is likewise a Director in Globalport Terminals Inc. (formerly: Harbour Centre Port Holdings, Inc.). Prior to the foregoing, Mr. Galvez served as a member of the Board of Directors of Manila North Harbour Port, Inc. and Pacifica, Inc. He was also the Senior Assistant Vice President for Finance and Assistant Controller for R-II Builders, Inc. and worked in various financial institutions like Security Bank Corporation, Far East Bank & Trust Co., and Philippine Banking Corporation. He took up his MBA in Asian Institute of Management and finished BSC – Business Management from the De La Salle University, Manila.

MARVEE M. ESPEJO *(48 years old, Filipino)* is the incumbent Chief Management Officer of Zamboanga City Electric Cooperative and Crowninvestment Holdings Inc. He is also the President and a member of the Board of Directors of Harbour Centre Port Holdings, Inc. and Mikro-Tech Capital, Inc. Prior to joining the foregoing companies, Mr. Espejo served as the President of Zamboanga City Integrated Port Services, Inc. and One Source Port Support Services Inc. He likewise served as the Vice President and Treasurer of Pacifica, Inc., Investment Analyst at Enviroventures, Inc., Finance Manager at Sunglow Land, Inc., Financial Analyst at Rubicon Holdings Corporation, Executive Assistant at R-II Builders, Inc., Marketing Analyst and Personal Assistant at the AFP-Retirement and Separation Benefits System. He finished his academic units for his MBA from the De La Salle University and his Bachelor of Arts in Management Major in Human Resource from the same university.

HENRY ROPHEN B. VIROLA *(51 years old, Filipino)* is armed with twenty-eight (28) years of experience in port terminal management and operations and is the incumbent President of Globalport Terminals Inc. (formerly: Harbour Centre Port Holdings, Inc.), Globalport Zamboanga Terminal Inc., Globalport Ozamiz Terminal Inc., Globalport Iligan Terminal Inc., Globalport Tacloban Terminal Inc., Globalport Agusan Terminal Inc., and Globalport Surigao Terminal Inc. Prior to joining the aforementioned companies, he served as the Vice President for Logistics of Oceanic Container Lines, Inc. for two (2) years, and Executive Vice President and General Manager of Manila North Harbour Port Inc. for seven (7) years. He also worked for Harbour Centre Port Terminal, Inc. for six (6) years and for Asian Terminals, Inc. for nine (9) years. Mr. Virola is a graduate of Industrial Engineering from University of the Philippines and obtained a Master's Degree in the same field.

WALTER ENRIQUE R. RAMOS *(53 years old, Filipino)* is a Certified Public Accountant with more than twenty (20) years of experience in the field of finance. He served as the Financial Controller of 2Go Express, Inc. for four (4) years wherein he developed and executed the overall financial strategy of the company. He likewise served as the Chief Finance Officer of Abojeb Company, Inc. for four (4) years wherein he was responsible for the financial reporting, consolidation of accounts, statutory audit, tax planning, annual budgeting, forecasting and business performance tracking. For two (2) years, he was also employed as the Head of Finance of Airasia Inc. Prior to joining Airasia Inc., Mr. Ramos worked for eleven (11) years in Aboitz Transport System Corporation. He is a degree holder in Business and Economic Major in Accounting from De La Salle University.

ARIEL R. ARRIOLA *(51 years old, Filipino)* is duly licensed lawyer in the Philippines, State of New York, United States of America, and Hong Kong whose practice involves the Corporation Code, Foreign Investments Act, Special Economic Zone Act, Omnibus Investment Code, Securities Regulation Code, Investment Company Act, Securitization Act, and the Financial Rehabilitation and Insolvency Act. He provides legal advisory on investments in the Philippines, corporate and commercial matters including the establishment of legal entities and regulatory compliance, capital raising and capital structuring/re-structuring, sale or acquisition of businesses and legal entities, and mergers and acquisitions, consolidations, corporate re-structuring and business combinations. In 2019, Atty. Arriola provided technical assistance to the Asian Development Bank and Philippine Securities and Exchange Commission in the review of the framework of the Real Estate Investment Trust Act of 2009 and the drafting of its Implementing Rules and Regulations. He was a part of the Corporate and Commercial Practice Group of Quisumbing Torres, the Manila office of Baker & McKenzie. He graduated with honors with a Juris Doctor degree from the Ateneo Law School.

ALEJANDRINO J. FERRERIA (*71 years old, Filipino*) is a professor and book author with over forty (40) years of experience in the academe, previously serving as part time faculty in the Ateneo de Manila University's Graduate School of Business and College of Arts and Sciences and University of the Philippines' College of Business Administration, and fulltime faculty at the Asian Institute of Management. He was also Visiting /Adjunct faculty of the Richard Ivey Business School, University of Western Ontario (Ontario Canada) London, Ontario Campus and Hong Kong Campus. He also previously served as the President of The One School, a private college offering entrepreneurial degree programs. He is also currently the President and a director of the Asian Center for Entrepreneurship and Management Education (ACEME) Inc., Lakpue Drug, Inc., and Euro Chemicals Inc., and is currently an independent director of Swift Foods Inc. He is also a director of Esquire Financing Inc., Goodyear Tire and Rubber Company, and Pascual Laboratories, Inc. Prof. Ferreria also renders consulting services to several Philippine and international organizations. He obtained a Bachelor of Science Degree in Management from the Ateneo de Manila University, a Master's Degree in Business Administration from the University of the Philippines, and a Doctorate in Education Management from National University.

LARA VICTORIA ESTEVES-AUSTRIA (*33 years old, Filipino*) is the Director of the Legal Affairs Service of the Department of Tourism (DOT). Atty. Esteves-Austria supervises and manages the operations of the Administrative Investigation, Adjudication, and Counseling Division, and the Legal, Research, and Documentation Division of the DOT. She likewise handles the preparation and review of procurement contracts, marketing partnerships, memoranda of agreement and understanding, and other legal instruments for the said department. She also serves as chairperson and/or member of the various committees of the DOT. Prior to joining the DOT, Atty. Esteves-Austria worked as an Associate Lawyer at Puyat Jacinto & Santos Law and Technical Assistant for Strategic Initiatives Management Office under the Office of the Executive Secretary, Office of the President. Atty. Estevez-Austria obtained her Juris Doctor degree from the University of the Philippines College of Law and BA Political Science degree, graduating *Cum Laude*, from the same University. Atty. Estevez-Austria have the required authority from the Secretary of the DOT to be an independent director in the Company, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

All the directors and members of the senior management of the Company possess a high degree of integrity and character and are fully capable and able to perform their duties as directors and senior management, respectively.

The election of the following nominees are subject to the confirmation of the stockholders during the Annual Stockholders' Meeting to be held on 30 June 2022:

Sheila Marie B. Romero
Mikaela Louise B. Romero
Edwin Joseph G. Galvez
Marvee M. Espejo
Henry Rophen B. Virola
Walter Enriquez R. Ramos
Ariel R. Arriola *(Independent Director)*
Alejandrino J. Ferreria *(Independent Director)*
Lara Victoria Estevez-Austria (*Independent Director)*

Other than Atty. Lara Victoria Estevez-Austria, who has the required permission from the Secretary of the Department of Tourism to be an independent director in the Company pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules, no other nominee, incumbent director, or officer of the Company work in any government agency or office. The Certification of the Corporate Secretary is attached hereto as ***Annex "B"***.

c. Significant Employees

Other than the above-named members of the Board of Directors and senior management of the Company, there are no other persons employed by the Company who are expected to make significant contributions to its business.

d. Family Relationships

Ms. Mikaela Louise B. Romero, the Company's Vice-Chairperson, is a daughter of Ms. Sheila Marie B. Romero, the Company's Chairperson and President.

e. Involvement in Certain Legal Proceeding

The Company is not aware of: (a) any bankruptcy petition filed by or against any business or which any director or member of senior management was a general partner or executive officer either at the time of bankruptcy or within two years prior to that time; (b) any conviction by final judgment, of any director or member of senior management, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses; (c) of any director or member of senior management 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 such director's or member of senior management's involvement in any type of business, securities, commodities or banking activities; and (d) any director or member of senior management being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended, or vacated, during the last five(5) years up to the date of filing.

f. Certain Relationships and Related Transactions

There were no transactions with directors, officers or any principal stockholders (owning at least 10% of the total outstanding shares of the Corporation) not in the ordinary course of business.

ITEM 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

None of the officers of the Company, in their capacity as such, receive any salary or any other form of compensation from the Company since 2007 and up to the present.

Currently, the directors are not receiving any compensation, nor per diems, in their capacity as such. Pursuant to the Manual of Corporate Governance of the Company and Section 29 of the Revised Corporation Code of the Philippines, the directors hall not participate in the determination of their own per diems or compensation.

The Company does not have any standard arrangement pursuant to which officers are compensated, or are to be compensated, directly or indirectly, for service provided as such, including any additional amounts payable for committee participation or special assignments, for the last completed fiscal year and the ensuing year.

Other than as stated herein, there are no other arrangements for compensation, plan or non-plan, including per diems, options, warrants, convertible securities or similar instruments, between the Company and the directors and executive officers.

ITEM 7. INDEPENDENT PUBLIC ACCOUNTANTS

The stockholders, during the Special Stockholders Meeting held on 12 January 2022, appointed the accounting firm of BDO Roxas Cruz Tagle and Co. with office at 6805 Ayala Avenue, Makati City, Metro Manila, as the Corporation's independent public accountant.

During the course of the engagement of BDO Roxas Cruz Tagle and Co., there are no known disagreements between the Company and its independent accountants with respect to accounting procedures and financial disclosures for the year ended 31 December 2020.

Representatives from BDO Roxas Tagle and Co. is expected to attend the Annual Stockholders' Meeting on 30 June 2022 to answer any questions posed by any stockholder-of-record.

The Company is compliant with the requirements of Rule 68 par. 3 (b) (4) of the SRC pertaining to the five (5)- year rotation requirement of external auditor.

C. OTHER MATTERS

ITEM 8. ACTION WITH RESPECT TO REPORTS

During the scheduled Annual Stockholders' Meeting, the following reports shall be submitted to the stockholders for their approval:

1. Approval of the minutes of the 12 January 2022 Special Stockholders' Meeting

2. Approval of the 2020 Annual Report and Audited Financial Statements

3. Ratification of Corporate Acts of the Board of Directors, Officers, and Management since the date of the last Meeting of the Stockholders

4. Approval of the Amendments of the Company's Articles of Incorporation

5. Election of the Members of the Board of Directors to serve for fiscal year 2022 until their successors shall have been duly elected and qualified.

Sheila Marie B. Romero
Mikaela Louise B. Romero
Edwin Joseph G. Galvez
Marvee M. Espejo
Henry Rophen B. Virola
Walter Enriquez R. Ramos
Ariel R. Arriola *(Independent Director)*
Alejandrino J. Ferreria *(Independent Director)*
Lara Victoria O. Estevez-Austria (*Independent Director)*

The nominees for independent directors have all the qualifications and none of the disqualifications under the Securities Regulation Code and its Implementing Rules and Regulations.

Summary of Board Resolutions Passed Since the Last Stockholders' Meeting:

Date of Board Approval	Nature of Board Resolution
14 February 2022	Approval of the 2020 Audited Financial Statements and Annual Report
	Termination of engagement of BDO – Trust and Investment Group. as the Company's Stock Transfer Agent
	Appointment of Stock Transfer Service, Inc. as the Company's New Stock Transfer Agent
20 April 2022	Acceptance of the resignation of Mr. Sherwin L. Mendiola as Independent Director effective 06 April 2022
	Approval of the issuance of Three Hundred Thirty-Five Thousand (335,000) common shares out of the unissued portion of the authorized capital stock of the Company to comply with the minimum public float requirement
16 May 2022	Approval of Committee Charters and Policies
	Approval of the Amendment of the Company's Primary Purpose as reflected in its Articles of Incorporation
	Setting the date of the 2022 Annual Stockholders' Meeting

ITEM 9. AMENDMENT OF ARTICLES OF INCORPORATION

The Primary Purpose as stated in the Company's Articles of Incorporation is being amended to give emphasis to the port maintenance and operations business of the Company and its subsidiaries.

The following amendment to the Articles of Incorporation will be presented to the Stockholders for their approval and ratification:

Article	From	To
Second	"That the purpose for which the corporation is formed are the following: PRIMARY PURPOSE To own, invest, manage, operate, maintain, and develop port facilities, including other maritime activities supportive of port operations and shipping and to establish or acquire subsidiaries and affiliates within or outside the Philippines for the same purposes herein set forth including those incidental thereto and to guarantee obligations of these subsidiaries and affiliates and those of any entity in which the Corporation has lawful interest. SECONDARY PURPOSES XXX XXX XXX"	"That the purpose for which the corporation is formed are the following: PRIMARY PURPOSE To own, invest, manage, operate, maintain, and develop port facilities <u>and engage in activities supportive of port operations</u>, and to establish or acquire subsidiaries and affiliates within or outside the Philippines for the same purposes herein set forth including those incidental thereto and to guarantee obligations of these subsidiaries and affiliates and those of any entity in which the Corporation has lawful interest. SECONDARY PURPOSES XXX XXX XXX"

ITEM 10. VOTING PROCEDURE

a. Vote required for approval

At the election of directors, there must be present, either in person or by proxy, the owners of the majority of the subscribed capital entitled to vote.

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 he may cumulate said shares and give one nominee as many votes as his shares multiplied by the number of directors to be elected shall equal, or he may distribute them among as many nominees as he shall see fit, provided that the whole 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.

In the approval of the proposed amendments to the Company's Articles of Incorporation, the vote of at least 2/3 of the outstanding capital stock of the Company is required.

All other matters subject to vote, except in cases where the law provides otherwise, shall be decided by the plurality vote of stockholders present in person or by his proxy, if there be such proxy, and entitled to vote thereat, provided that a quorum is present.

b. Method by which votes will be counted

For the Annual Stockholders' Meeting, voting shall only be allowed through proxy or *in absentia* by accomplishing the Ballot/Proxy Form. Please see ***Annex 2*** of the Notice to ASM for the complete details on the manner and methods of voting in absentia or through proxy.

Votes cast by stockholders who registered **until 5:00 PM of 23 June 2022** will be presented during the ASM.

All votes cast shall be subject to authentication and validation. A stockholder who submits a Ballot/Proxy Form and/or who votes electronically *in absentia* shall be deemed present for purposes of quorum.

ITEM 11. REQUIRED DISCLOSURE UNDER SECTION 49 OF THE REVISED CORPORATION CODE

The 2022 Special Stockholders' Meeting ("2022 SSM") of the Company was held on 12 January 2022 at 2:00 PM via remote communication and presided at the principal office of the Corporation at Unit 2701 Once Corporate Centre, Meralco Ave. cor. Julia Vargas Ave., Ortigas Center, Pasig City. Summarized below are the details of the 2022 SSM:

a) *A description of the voting and vote tabulation procedures used in the previous meeting (i.e., 2022 SSM)*

Voting for all matters presented for the approval of stockholders at the 2022 SSM was done by proxy or in absentia through the Ballot/Proxy Form made available to stockholders and in accordance with the procedures set out in the Notice of the 2022 SSM.

In the election of directors, straight and cumulative voting was allowed. Each stockholder was allowed to vote such number of shares for as many individuals as there are directors to be elected. Each stockholder was allowed to cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or distribute them in the same principle among as many candidates as he see fit; Provided, that, the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the whole number of directors to be elected.

All votes cast through Ballot/Proxy Forms were validated and tabulated on 05 January 2022. Final tally of votes were presented during the meeting.

b) *A description of the opportunity given to Stockholders to ask questions and a record of the questions asked and answers given*

Stockholders who wished to ask questions in relation to the reports of the Company were asked to send their questions and/or comments to info@globalport.com.ph. They were also given the opportunity to send their questions to the same email address during the meeting. The Company did not receive any question.

c) *The matters discussed and resolutions reached*

1. Approval of the Minutes of the Annual Stockholders' Meeting held on 29 September 2017

   The stockholders approved the minutes of the Annual Stockholders' Meeting held on 29 September 2017.

2. Presentation and Approval of the 2017, 2018, and 2019 Audited Financial Statements

   The stockholders approved the Audited Financial Statements of the Company for the years ended 2019 December 31, 2018 December 31, and 2017 December 31.

3. Confirmation and Ratification of Corporate Acts of the Board of Directors, Officers, and Management since the date of the last Meeting of the Stockholders

   The stockholders confirmed and ratified the corporate acts and board resolutions since the date of the last Annual Stockholders' Meeting held on 29 September 2017 up to the date of the 2022 SSM.

4. Approval and Ratification of the Amendments to the Company's Articles of Incorporation

The stockholders approved the proposed amendment to the Third Article of the Articles of Incorporation to reflect the exact principal office address of the Company, and the amendment to the Fourth Article to adopt the perpetual corporate term as provided in the Revised Corporation Code.

5. Approval and Ratification of the Amendments to the Company's By-Laws

   The stockholders approved the proposed amendments to Articles I, II, III, IV, V, VI, and VII of the Company's By-Laws to adopt the provisions of the Revised Corporation Code.

6. Election of Directors

   The following were duly elected as members of the Board of Directors of the Company for to serve as such until their successors are qualified and elected:

   Ms. Sheila Marie B. Romero
   Ms. Mikaela Louise B. Romero
   Mr. Edwin Joseph G. Galvez
   Mr. Marvee M. Espejo
   Mr. Henry Rophen B. Virola
   Mr. Walter Enrique R. Ramos

   Independent Directors:
   Atty. Ariel R. Arriola
   Engr. Dennis M. Morada
   Mr. Sherwin L. Mendiola

7. Appointment of External Auditors

   The stockholders approved the appointment of BDO Roxas Cruz Tagle and Co. as the Company's external auditors for the fiscal year ending 31 December 2021.

d) A record of the voting results for each agenda item

The right to vote of stockholders on the matters presented at the 2022 SSM was exercised *in absentia* thru the Ballot/Proxy Form. Summarized below are the results of the tabulation of the Ballot/Proxy Forms received by the Company:

Agenda Item	Voting Result
1. Approval of the Minutes of the Annual Stockholders' Meeting held on 29 September 2017	1,958,569,600 common shares or 100% of the total shares present or represented at the meeting voted in favor of the approval of the minutes of the annual stockholders' meeting held on 29 September 2017, no shareholder voted against the approval, and none abstained.
2. Approval of the Consolidated Audited Financial Statements for the years ended 31 December 2019, 31 December 2018, and 31 December 2017	1,958,569,600 common shares or 100% of the total shares present or represented at the meeting voted in favor of the approval of the Audited Financial Statements for the years ending 31 December 2019, 31 December 2018, and 31 December 2017, no shareholder voted against the approval, and none abstained.
3. Confirmation and Ratification of Corporate Acts done since the date of the last Stockholders' Meeting until the day of the 2022 SSM	1,958,569,600 common shares or 100% of the total shares present or represented at the meeting voted in favor of the approval of the Confirmation and Ratification of Corporate Acts done since the date of

Agenda Item	Voting Result
	the last Stockholders' Meeting until the day of the 2022 SSM, no shareholder voted against the approval, and none abstained.
4. Approval and Ratification of the Amendments to the Articles of Incorporation	1,958,569,600 common shares representing 90.84% of the total issued and outstanding shares of the Corporation voted in favor of the approval of the proposed amendments to the Articles of Incorporation, no shareholder voted against the approval, and none abstained.
5. Approval and Ratification of the Amendments to the By-Laws	1,958,569,600 common shares representing 90.84% of the total issued and outstanding shares of the Corporation voted in favor of the approval of the proposed amendments to the By-Laws, no shareholder voted against the approval, and none abstained.
6. Election of Directors	1,958,569,600 shares or 100% of the total shares present or represented at the meeting voted to elect all nine (9) candidates to the Board of Directors.
7. Appointment of External Auditors	1,958,569,600 common shares or 100% of the total shares present or represented at the meeting voted in favor of the appointment of BDO Roxas Cruz Tagle and Co. as PORT's external auditors for the year 2021, no shareholder voted against the approval, and none abstained.

e) *List of the directors, officers and stockholders who attended the meeting*

Ms. Sheila Marie B. Romero
Ms. Mikaela Louise B. Romero
Mr. Edwin Joseph G. Galvez
Mr. Marvee M. Espejo
Mr. Henry Rophen B. Virola
Mr. Walter Enrique R. Ramos
Atty. Ariel R. Arriola
Engr. Dennis M. Morada
Mr. Sherwin L. Mendiola
Mr. Leonardo M. Galang
Atty. Agnes H. Maranan
Atty. E. Hans S. Santos
Mr. Frederick M. Arejola
Atty. Dorothy M.S. Cajayon
Atty. Paul Vincent T. Cunanan
Atty. Jansen F. Bernardo
Representatives from BDO Trust and Investment Group
Representatives from BDO Roxas Cruz Tagle and Co.
Sultan 900 Capital, Inc.

Immediately after the 2022 SSM, the duly elected Board of Directors convened for an Organizational Meeting. At such meeting, the Board elected/appointed the corporate officers and members of the Board Committees, and they were as follows:

Name	Position
Sheila Marie B. Romero	Chairperson and President
Mikaela Louise B. Romero	Vice-Chairperson
Walter Enrique R. Ramos	Treasurer
Agnes H. Maranan	Corporate Secretary
Jansen F. Bernardo	Assistant Corporate Secretary
Paul Vincent T. Cunanan	Compliance Officer
Dan Jorge L. Leyson	Internal Auditor

Audit Committee	
Name	**Position**
Dennis M. Morada	Chairman
Ariel R. Arriola	Member
Sherwin L. Mendiola	Member
Edwin Joseph G. Galvez	Member
Marvee M. Espejo	Member

Related Party Transaction Committee	
Name	**Position**
Ariel R. Arriola	Chairman
Dennis M. Morada	Member
Edwin Joseph G. Galvez	Member
Marvee M. Espejo	Member
Mikaela Louise B. Romero	Member

Corporate Governance Committee	
Name	**Position**
Ariel R. Arriola	Chairman
Dennis M. Morada	Member
Sherwin L. Mendiola	Member

Board Risk Oversight Committee	
Name	**Position**
Sherwin L. Mendiola	Chairman
Dennis M. Morada	Member
Walter Enrique R. Ramos	Member

Mr. Sherwin L. Mendiola resigned as Independent Director, and consequently, as member of the Audit Committee and Corporate Governance Committee, and as Chairman of the Board Risk Oversight Committee of the Corporation effective 06 April 2022. Mr. Mendiola cited personal reasons for his resignation.

PART II – INFORMATION REQUIRED IN A PROXY FORM

The Company's Ballot/Proxy Form contains the names of the appointing stockholder and the appointed proxy. The Form also contains the vote of the appointing stockholder for proposals, which will be presented in the Annual Stockholders' Meeting, as well as for the election of Directors. The Ballot/Proxy Form is attached to the Notice of Annual Stockholders' Meeting as ***Annex 3***.

PART III – UNDERTAKING AND SIGNATURE

UNDERTAKING

Upon the written request of a stockholder, the Company shall furnish such stockholder a copy of SEC Form 17-A free of charge. Such written request for a copy of the latest SEC Form 17-A may be sent via email to info@globalport.com.ph or via mail addressed to:

GLOBALPORT 900, INC.
Unit 2701 One Corporate Centre
Meralco Ave. cor. Julia Vargas Ave.
Ortigas Center, Pasig City 1605

Attention: **Office of the Corporate Secretary**

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is trye, complete, and correct. This report is signed in Pasig City, Philippines on the date stated below.

GLOBALPORT 900, INC.

By :

AGNES H. MARANAN
Corporate Secretary
Date: 06 June 2022

GLOBALPORT 900, INC.
(Formerly: MIC Holdings, Inc.)

MANAGEMENT REPORT

AUDITED FINANCIAL STATEMENTS

The Audited Financial Statements of **GLOBALPORT 900, INC.** (the "Company" or "PORT") for the year ended 31 December 2020, was approved by the Board of Directors during the special meeting of the Board of Directors held on 14 February 2022. Copies of the Company's Annual Reports (SEC Form 17-A) with Consolidated Audited Financial Statements for the years ended 31 December 2020, as well as the Quarterly Report for the Quarter ending 30 June 2021 (SEC Form 17-Q) are attached and made an integral part of this Report as ***Annexes "C"***, and ***"D"***, respectively.

DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There were no changes in, or disagreements between the Company and its independent accountants with respect to accounting procedures and financial disclosures for the year ended 31 December 2020.

MANAGEMENT DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

I. SUMMARY (AS OF 30 JUNE 2021)

In 2021, the Company through its subsidiary, **Globalport Terminals Inc.** (formerly: Harbour Centre Port Holdings, Inc.) ("**GTI**") participated in various bids for the management of port terminal operations in different parts of the country.

As of 30 June 2021, three (3) new ports were added to its portfolio the Company's portfolio thru GTI. GTI incorporated the following entities for the purpose of management, operation, and maintenance of various ports:

a. **Globalport Zamboanga Terminal Inc.** ("**GP Zamboanga**") registered with the SEC on 25 May 2021 with the primary purpose of engaging in the operation of cargo handlings, passenger, roll-on/roll- off, and other port terminal related services. GP Zamboanga is 95% owned by GTI and is operating the Port of Zamboanga in Zamboanga del Sur under a 15-year Port Terminal Management Contract with the Philippine Ports Authority ("PPA").

b. **Globalport Ozamiz Terminal Inc.** ("**GP Ozamiz**") registered with the SEC on 25 May 2021 with the primary purpose of engaging in the operation of cargo handlings, passenger, roll-on/roll-off, and other port terminal related services. GP Ozamiz is 98% owned by GTI and is operating the Port of Ozamiz in Misamis Occidental under a 15-year Port Terminal Management Contract with the PPA.

c. **Globalport Iligan Terminal Inc.** ("**GP Iligan**") registered with the SEC on 25 May 2021 with the primary purpose of engaging in the operation of cargo handlings, passenger, roll-on/roll-off, and other port terminal related services. GP Iligan is 98% owned by GTI and is operating the Port of Iligan in Lanao del Norte under a 15-year Port Terminal Management Contract with the PPA.

As of 30 June 2021, the operations have not yet been transferred to the Company and thus there are still no reported revenues. This new portfolio of investments was made possible through the continuous support of the Company's ultimate Parent Company, **Sultan 900 Capital, Inc.** ("**Sultan 900**"), of additional capital which allowed the Company more latitude in attaining the direction into becoming a holding company for other corporations engaged in the business of port facilities and services. In line with the Company's primary purpose, the Company is looking to invest in these kinds of business development activities focusing on port management services and infrastructure. Once the subsidiaries start to operate, it is expected that there will be changes in the number of employees.

The financial performance of the Company is being assessed using the following top key performance indicators:

	2021	2020	2020	2019
Income Statement Data	Jun-30	Jun-30		
Total Revenue				-
Gross Profit				-
Earnings Before Interest and taxes	(13,001,384)	(3,860,005)	(10,145,238)	(14,116,404)
Net Income (Loss)	(13,001,384)	(3,860,005)	(10,145,238)	(14,116,404)
Depreciation	6,312	3,156	12,624	12,634
Taxes			-	-
Interest Expense			-	-
Balance Sheet Data	**6/30/2021**	**12/31/2020**		
Total Current Assets	490,713,801	202,446,139	202,446,139	7,525,123
Advances to Related Parties		-		195,000,000
Property and Equipment - net	4,224	10,536	10,536	23,160
Total Assets	516,604,552	228,343,202	228,343,202	234,501,450
Current Liabilities	367,199,076	84,536,357	84,536,357	80,518,484
Total Liabilities	367,199,076	84,536,357	84,536,357	80,518,484
Stockholder's Equity	149,405,476	143,806,845	143,806,845	153,982,966
Total Liabilities and Stockholder's Equity	516,604,552	228,343,202	228,343,202	234,501,450
Current Ratio	1.336	2.395	2.395	0.093
Solvency Ratio	0.711	0.370	0.370	0.343
Debt to Equity Ratio	2.458	0.588	0.588	0.523
Interest Rate Coverage Ratio	-	-	-	-
Gross Profit Margin	0%	0%	0%	0%
Net Profit Margin	0%	0%	0%	0%

Based on the above table the following are key performance indicators of the Company for the first half of 2021:

(a) *Working Capital Ratio or Current Ratio* – This will measure how liquid the Company is and its ability to meet its current obligations. It is computed by dividing total current assets with the total current liabilities.
(b) *Debt Management Ratio or Solvency Ratio* – This is computed by dividing the total liabilities by the total assets.
(c) *Debt Equity Ratio* – This will explain the relationship between how the assets were financed by the Company's creditors and its stockholders. This is computed by dividing the total liabilities over the stockholders' equity.
(d) *Interest Rate Coverage Ratio* – A ratio used to determine how easily a company can pay interest on outstanding debt. The interest rate coverage ratio is calculated by dividing the Company's earnings before interest and taxes (EBIT) of one period by the Company's interest expenses of the same period.
(e) *Gross Profit Margin* – Gross profit margin (gross margin) is the ratio of gross profit (gross sales less cost of sales) to sales revenue. It is the percentage by which gross profit exceeds production costs. Gross margins reveal how much a company earns taking into consideration the costs that it incurs for producing its products or services.
(f) *Net Profit Margin* – Net profit margin (or profit margin, net margin) is a ratio of profitability calculated as after-tax net income (net profits) divided by sales (revenue). Net profit margin is displayed as a percentage. It shows the amount of each sale left over after all expenses have been paid.

REVENUES

The Company derived no revenue as it has no commercial operations as of the reporting date.

COSTS AND EXPENSES

Aside from its corporate maintenance expenses such as annual fees for PSE listing and professional fees to stock transfer agents, the Company incurred costs and expenses relating to registration and incorporation of new subsidiaries. In addition, the Company also incurred various costs and expenses due to its participation in project bids.

CURRENT ASSETS

The increase in Current Assets is due to the capitalization of project development costs which are related to the participation in various bids for the development and management of port terminal operations in different parts of the country.

ADVANCES FROM RELATED PARTIES

The increase in Current Liabilities is due to the increase in the Advances from Related Parties which supported the fund and investment requirements of the Company.

II. SUMMARY (FOR THE YEAR ENDED 31 DECEMBER 2020)

The Company and its subsidiary have limited commercial operations for the year ended December 2020. It reported a consolidated net loss of around P10M, a 28% improvement as compared to the previous year where it reported about P14M consolidated net loss.

The Company derived no revenue in 2020 as it was in the process of reassessing its strategic direction in view of the current change in management. It is expected that the infusion by its parent company, Sultan 900, of additional capital will allow the Company more latitude in attaining the direction into becoming a holding company for other corporations engaged in the business of port facilities and services. The Company is looking to invest in these kinds of business development activities focusing on port management services and infrastructure. Once the investee companies start to operate, it is expected that there will be changes in the number of employees.

The financial performance of the Company is being assessed using the following top key performance indicators:

	2020	2019
Income Statement Data		
Total Revenue		-
Gross Profit		-
Earnings Before Interest and taxes	(10,145,238)	(14,116,404)
Net Income (Loss)	(10,145,238)	(14,116,404)
Depreciation	12,624	12,634
Taxes	-	-
Interest Expense	-	-
Balance Sheet Data		
Total Current Assets	202,446,139	7,525,123
Advances to Related Parties		195,000,000
Property and Equipment - net	10,536	23,160
Total Assets	228,343,202	234,501,450
Current Liabilities	84,536,357	80,518,484
Total Liabilities	84,536,357	80,518,484
Stockholder's Equity	143,806,845	153,982,966
Total Liabilities and Stockholder's Equity	228,343,202	234,501,450
Current Ratio	2.395	0.093
Solvency Ratio	0.370	0.343
Debt to Equity Ratio	0.588	0.523
Interest Rate Coverage Ratio	-	-
Gross Profit Margin	0%	0%
Net Profit Margin	0%	0%

Based on the above table the following are key performance indicators of the Company for 2020:

(a) *Working Capital Ratio or Current Ratio* – This will measure how liquid the Company is and its ability to meet its current obligations. It is computed by dividing total current assets with the total current liabilities.
(b) *Debt Management Ratio or Solvency Ratio* – This is computed by dividing the total liabilities by the total assets.
(c) *Debt Equity Ratio* – This will explain the relationship between how the assets were financed by the Company's creditors and its stockholders. This is computed by dividing the total liabilities over the stockholders' equity.
(d) *Interest Rate Coverage Ratio* – A ratio used to determine how easily a company can pay interest on outstanding debt. The interest rate coverage ratio is calculated by dividing the Company's earnings before interest and taxes (EBIT) of one period by the Company's interest expenses of the same period.
(e) *Gross Profit Margin* – Gross profit margin (gross margin) is the ratio of gross profit (gross sales less cost of sales) to sales revenue. It is the percentage by which gross profit exceeds production costs. Gross margins reveal how much a company earns taking into consideration the costs that it incurs for producing its products or services.
(f) *Net Profit Margin* – Net profit margin (or profit margin, net margin) is a ratio of profitability calculated as after-tax net income (net profits) divided by sales (revenue). Net profit margin is displayed as a percentage. It shows the amount of each sale left over after all expenses have been paid.

REVENUES

The Company derived no revenue for the year 2020 as it was in the process of reassessing its strategic direction in view of the current change in management.

COSTS AND EXPENSES

As a result of its undertaking a reassessment of its strategic direction, the Company has no commercial operations and booked no revenues for the year 2020 and expenses were limited to corporate maintenance expenses such as annual fees for PSE listing and professional fees to its external auditors and stock transfer agents, as well as business and other taxes.

CURRENT ASSETS

The increase in current assets is due to the reclassification of the Advances to Related Parties from noncurrent asset to current asset section as it is expected to be settled within twelve (12) months from the balance sheet date.

ADVANCES TO RELATED PARTIES

The decrease in Advances to Related Parties is due to its reclassification from noncurrent asset to current asset section as it is expected to be settled within twelve (12) months from the balance sheet date.

III. SUMMARY (FOR THE YEAR ENDED 31 DECEMBER 2019)

The Company and its subsidiary have no commercial operations for the year ended 31 December 2019. It reported a consolidated net loss of about ₱14 Million, an improvement by 845% as compared to the previous year where it reported about ₱119 Million net loss.

In 2019, the Company derecognized its Investment in Platinum Dredging Inc., (PDI) as it was declared insolvent and dissolved through the liquidation order issued by the court.

The Company derived no revenue from 2017 to 2019 as it was in the process of reassessing its strategic direction in view of the current change in management. It is expected that the infusion by its parent company, Sultan 900, of additional capital will allow the Company more latitude in attaining the direction into becoming a holding company for other corporations engaged in the business of port facilities and services. The Company is looking to invest in these kinds of business development activities focusing on port management services and infrastructure. Once the investee companies start to operate, it is expected that there will be changes in the number of employees.

The financial performance of the Company is being assessed using the following top key performance indicators:

	2019	2018
Income Statement Data		
Total Revenue	-	-
Gross Profit	-	-
Earnings Before Interest and taxes	(14,116,404)	(119,240,074)
Net Income (Loss)	(14,116,404)	(119,240,074)
Depreciation	12,634	2,105
Taxes	-	-
Interest Expense	-	-
Balance Sheet Data		
Total Current Assets	7,525,123	40,716,871
Advances to Related Parties	195,000,000	195,000,000
Property and Equipment - net	23,160	35,794
Total Assets	234,501,450	235,752,665
Current Liabilities	80,518,484	250,378,965
Total Liabilities	80,518,484	250,378,965
Stockholder's Equity	153,982,966	(14,626,300)
Total Liabilities and Stockholder's Equity	234,501,450	235,752,665
Current Ratio	0.093	0.163
Solvency Ratio	0.343	1.062
Debt to Equity Ratio	0.523	(17.118)
Interest Rate Coverage Ratio	-	-
Gross Profit Margin	0%	0%
Net Profit Margin	0%	0%

Based on the above table the following are key performance indicators of the Company for 2019:

(g) *Working Capital Ratio or Current Ratio* – This will measure how liquid the Company is and its ability to meet its current obligations. It is computed by dividing total current assets with the total current liabilities.
(h) *Debt Management Ratio or Solvency Ratio* – This is computed by dividing the total liabilities by the total assets.
(i) *Debt Equity Ratio* – This will explain the relationship between how the assets were financed by the Company's creditors and its stockholders. This is computed by dividing the total liabilities over the stockholders' equity.
(j) *Interest Rate Coverage Ratio* – A ratio used to determine how easily a company can pay interest on outstanding debt. The interest rate coverage ratio is calculated by dividing the Company's earnings before interest and taxes (EBIT) of one period by the Company's interest expenses of the same period.
(k) *Gross Profit Margin* – Gross profit margin (gross margin) is the ratio of gross profit (gross sales less cost of sales) to sales revenue. It is the percentage by which gross profit exceeds production costs. Gross margins reveal how much a company earns taking into consideration the costs that it incurs for producing its products or services.
(l) *Net Profit Margin* – Net profit margin (or profit margin, net margin) is a ratio of profitability calculated as after-tax net income (net profits) divided by sales (revenue). Net profit margin is displayed as a percentage. It shows the amount of each sale left over after all expenses have been paid.

REVENUES

The Company derived no revenue for the year 2019 as it was in the process of reassessing its strategic direction in view of the current change in management.

COSTS AND EXPENSES

As a result of its undertaking a reassessment of its strategic direction, the Company has no commercial operations and booked no revenues for the year 2019 and expenses were limited to corporate maintenance expenses such as annual fees for PSE listing and professional fees to its external auditors and stock transfer agents, as well as business and other taxes.

ADVANCES FROM RELATED PARTIES

The reduction in the liabilities is due to the application of the Ultimate Parent of its advances to its unpaid subscription in the amount of ₱110 Million.

TRADE AND OTHER PAYABLES

A decrease in Trade and Other Payables is due to the derecognition of the Subsidiary which was eliminated in the consolidated level. This also resulted to a decrease in total liabilities.

SHARE CAPITAL

The increase in the paid-up capital is due to the application of the Ultimate Parent of its advances to the its unpaid subscription in the amount of ₱110 Million.

IV. SUMMARY (FOR THE YEAR ENDED 31 DECEMBER 2018)

The Company and its subsidiary have no commercial operations for the year ended 31 December 2018. It reported a consolidated net loss of about ₱119 Million. In 2018, project development expenses amounting to ₱98 Million caused the increase in total expenses. These pertain to the costs incurred for the consultancy services, project master plan and engineering design in connection with the Company's plan to bid and/or acquire several domestic infrastructure projects such as airport terminal and management of thermal plants.

The financial performance of the Company is being assessed using the following top key performance indicators:

	2018	2017
Income Statement Data		
Total Revenue	-	-
Gross Profit	-	-
Earnings Before Interest and taxes	(119,240,074)	24,410,177
Net Income (Loss)	(119,240,074)	11,610,350
Depreciation	2,105	-
Taxes	-	12,799,827
Interest Expense	-	-
Balance Sheet Data		
Total Current Assets	40,716,871	46,750,261
Advances to Related Parties	195,000,000	195,000,000
Property and Equipment - net	35,794	-
Total Assets	235,752,665	241,750,261
Current Liabilities	250,378,965	137,136,487
Total Liabilities	250,378,965	137,136,487
Stockholder's Equity	(14,626,300)	104,613,774
Total Liabilities and Stockholder's Equity	235,752,665	241,750,261
Current Ratio	0.163	0.341
Solvency Ratio	1.062	0.567
Debt to Equity Ratio	(17.118)	1.311
Interest Rate Coverage Ratio	-	-
Gross Profit Margin	0%	0%
Net Profit Margin	0%	0%

Based on the above table the following are key performance indicators of the Company for 2018:

(a) *Working Capital Ratio or Current Ratio* – This will measure how liquid the Company is and its ability to meet its current obligations. It is computed by dividing total current assets with the total current liabilities.

(b) *Debt Management Ratio or Solvency Ratio* – This is computed by dividing the total liabilities by the total assets.

(c) *Debt Equity Ratio* – This will explain the relationship between how the assets were financed by the Company's creditors and its stockholders. This is computed by dividing the total liabilities over the stockholders' equity.

(d) *Interest Rate Coverage Ratio* – A ratio used to determine how easily a company can pay interest on outstanding debt. The interest rate coverage ratio is calculated by dividing the Company's earnings before interest and taxes (EBIT) of one period by the Company's interest expenses of the same period.

(e) *Gross Profit Margin* – Gross profit margin (gross margin) is the ratio of gross profit (gross sales less cost of sales) to sales revenue. It is the percentage by which gross profit exceeds production costs. Gross margins reveal how much a company earns taking into consideration the costs that it incurs for producing its products or services.

(f) *Net Profit Margin* – Net profit margin (or profit margin, net margin) is a ratio of profitability calculated as after-tax net income (net profits) divided by sales (revenue). Net profit margin is displayed as a percentage. It shows the amount of each sale left over after all expenses have been paid.

REVENUES

The Company derived no revenue for the year 2018 as it was in the process of reassessing its strategic direction in view of the current change in management.

COSTS AND EXPENSES

As a result of its undertaking a reassessment of its strategic direction, the Company has no commercial operations and booked no revenues for the year 2018. In 2018, project development expenses amounting to ₱98 Million caused the increase in total expenses. These pertain to the costs incurred for the consultancy services, project master plan and engineering design in connection with the Company's plan to bid and/or acquire several domestic infrastructure projects such as airport terminal and management of thermal plants.

ADVANCES FROM RELATED PARTIES

The increase is due to the advances made by the Ultimate Parent to fund the project development expenses as noted above.

TRADE AND OTHER PAYABLES

A slight decrease in Trade and Other Payables is due to payment of its liabilities.

V. CAUSES FOR ANY MATERIAL CHANGES FROM PERIOD TO PERIOD OF FS WHICH SHALL INCLUDE VERTICAL AND HORIZONTAL ANALYSES OF ANY MATERIAL ITEM (5%)

				Horizontal Analysis			Vertical Analysis	
	2020	2019	2018	2020	2019	2018	2020	Notes
Revenue	**-**	-	-					
Cost	**-**	-	-					
Gross Profit	**-**	-	-					
General and Administrative Expenses	**(10,145,363)**	(14,116,855)	(119,242,883)	-28%	-88%	424%		A
Other Income	**125**	451	2,809	-72%	-84%	-100%		
Profit (Loss) for the year	**(10,145,238)**	(14,116,404)	(119,240,074)	-28%	-88%	-588%		
Income Tax Expense		-	-			-100%		
Net profit (loss) for the year	**(10,145,238)**	(14,116,404)	(119,240,074)	-28%	-88%	-1127%		
Other Comprehensive Income		-	-					
Total Comprehensive Income/(Loss)	**(10,145,238)**	(14,116,404)	(119,240,074)	-28%	-88%	-1127%		
Total Comprehensive Income/(Loss) attributable to:								
Controlling Interest	**(10,145,238)**	(14,038,244)	(118,909,989)	-28%	-88%	-1097%		
Non Controlling Interest		(78,160)	(338,805)		-77%	6%		

Notes
A - Decrease in 2020 due to limited operations;

				Horizontal Analysis		**Vertical Analysis**	**Notes**
	2020	**2019**	**2018**	**2020**	**2019**	**2020**	**2020**
ASSETS							
Current Assets							
Cash	273,649	537,963	1,282,685	-49.13%	-58.06%	0.12%	A
Advances to Related Parties		-	37,836,530		-100.00%	0.00%	
Prepayments	7,172,490	6,987,160	1,597,656	2.65%	337.34%	3.14%	
Other Current Assets	195,000,000			100.00%		85.40%	B
Total Current Assets	202,446,139	7,525,123	40,716,871	2590.27%	-81.52%	88.66%	
Non Current Assets							
Office Equipment - net	10,536	23,160	35,794	-54.51%	-35.30%	0.00%	
Advances to Related Parties		195,000,000	195,000,000	-100.00%	0.00%	0.00%	C
Investments in Stocks	6,249,900	6,249,900		0.00%		2.74%	
Other Non-Current Assets	19,636,627	25,703,267		-23.60%		8.60%	D
Total Non Current Assets	25,897,063	226,976,327	195,035,794	-88.59%	16.38%	11.34%	
TOTAL ASSETS	228,343,202	234,501,450	235,752,665	-2.63%	-0.53%	100.00%	
LIABILITIES AND EQUITY							
Current Liabilities							
Trade and Other Payables	8,767,106	6,618,798	50,801,267	32.46%	-86.97%	3.84%	E
Advances from Related Parties	75,769,251	73,930,569	188,012,313	2.49%	-60.68%	33.18%	
Income Tax Payable		-	11,565,385		-100.00%	0.00%	
Total Liabilities	**84,536,357**	**80,549,367**	**250,378,965**	4.95%	-67.83%	37.02%	
Equity							
Share Capital	2,266,250,900	2,266,250,900	2,156,250,900	0.00%	5.10%	992.48%	
Additional Paid In Capital	268,309	268,309	268,309	0.00%	0.00%		
Treasury Shares	(595,111)	(595,111)	(595,111)	0.00%	0.00%		
Deficit	(2,122,117,253)	(2,111,972,015)	(2,175,386,202)	0.48%	-2.92%	-929.35%	
Equity (Capital Deficiency) Attributable to							
Controlling Interests	143,806,845	153,952,083	(19,462,104)	-6.59%	-891.04%	62.98%	
Non Controlling Interests			4,835,804		-100.00%	0.00%	
Total Equity (Capital Deficiency)	**143,806,845**	**153,952,083**	**(14,626,300)**		-1152.57%	62.98%	
TOTAL LIABILITIES AND EQUITY	**228,343,202**	**234,501,450**	**235,752,665**	-2.63%	-0.53%	100.00%	

Notes
A Decrease due to normal operations, payment of operating expenses
B Increase due to reclassification from Advances to Related Parties
C Increase due to reclassification to Other Current Assets
D Increase due to reclassification from Current to Non Current
E Increase due to accrued expenses

Discussions and Analysis of material event/s and uncertainties known to management that would address the past and would have an impact on future operations

Without prejudice to the on-going audit of the financial books of the Company for the year ending 31 December 2021, the management further discloses the following:

1) There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's future liquidity.

2) There were no known events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

3) There were no material off-balance sheet transactions, arrangements, obligations, and other relationships to the Company with unconsolidated entities or other persons created during the reporting period.

4) The Company does not foresee any material commitments for capital expenditures.

5) There were no known trends, events or uncertainties that are expected to have material impact on net sales/revenues/income from continuing operations that occurred during the reporting period.

6) There have been no significant elements of income or loss arising from the Company's continuing operations.

7) The were no causes for any material changes from period to period of financial statements, including vertical and horizontal analyses of any material item.

8) There were no seasonal aspects that has material effects on the Company's financial statements.

Major risk/s. While the Company is still in the process of evaluating viable port management/operation opportunities, the management has started to scan the events and trends in the ports industry in order to identify and assess risks that may affect the Company in the future. It also tries to assess possible internal risks and weaknesses in its future operations and develop the necessary management strategies to combat these risks or minimize its possible effect to the Company. The major risks the Company anticipates are as follows:

a. **Economic and Political Considerations**. The Company will be influenced by the general political and economic situation of the Philippines. Any political and/or economic instability in the future may have a negative effect on the ports industry.

b. **Development risk.** Future investments in port management, operation, and infrastructure shall be based on the results of a pre-feasibility study to be conducted by the Company. The study shall use estimates of expected or anticipated project economic returns based on assumptions such as volume of each potential port acquisition and anticipated capital expenditure and cash operating costs.

   Actual cash operating costs, production and economic returns may differ significantly from the Company's projections due to numerous uncertainties inherent to any development and construction of projects. To address this particular risk the Company will hire consultants in to do a due diligence and feasibility study.

d. **Liquidity and capital resource requirements**. Any future project shall entail capital expenditures and funding requirement shall be sourced prior to any acquisition. The Company shall undertake measures to raise funds through internally generated funds, debt and/or from private placements.

The Company has not entered into any agreement or arrangement that would put it in major risk.

EXTERNAL AUDIT FEES AND SERVICES

Pursuant to the Manual on Corporate Governance of the Company, the appointment and selection of an external auditor of the Company is upon the recommendation by the Audit Committee of an external auditor which recommendation is thereafter submitted to the shareholders for their approval.

Audit and Audit-Related Fees

The fees paid by the Company for the professional services rendered by the external auditor for last three (3) fiscal years is as follows:

External Audit Fees and Services. The audit of the registrant's annual financial statements or service that the auditor, Alas Oplas & Co, normally provide is billed as follows:

Year	Audit & Audit Related Fees	Tax Fees	Other Fees
2020	₱985,600.00		
2019	₱873,600.00	-	-
2018	₱739,200.00	-	-

There are no other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of registrant's financial statements.

The scope of the service rendered by the external auditor was to audit the Company's financial statements.

Tax Fees/All Other Fees

No aggregate fees billed in each of the last two (2) fiscal years for professional services rendered by the external auditor for tax accounting, compliance, advice, planning and any other form of tax services.

Audit Committee Approval Policy and Procedure

As stated above, under the Company's Manual of Corporate Governance, the Audit Committee shall select and recommend for approval of the stockholders of the Company the appointment of an external auditor of the Company. In the selection of the external auditor, the audit committee primordial consideration is whether any service to be obtained from the independent auditors is consistent with applicable rules on auditor's independence. The committee will also consider the audit and audit-related service fees on a yearly basis. Once the audit committee has determined the external auditor, it shall recommend the same together with the proposed audit fees to the stockholders for their approval.

MARKET PRICE AND DIVIDENDS ON THE COMPANY'S COMMON EQUITY

A total of 54,212,200 common shares of the Company's issued shares are listed and traded in the Philippine Stock Exchange, Inc.

In 2014, however, the trading of the Company's listed shares was suspended due to non-submission of the Company's subsidiaries of their financial reports, which in turn are necessary for the consolidation of the Company's financial reports. The closing price of the Company's common shares on 16 May 2014, the last trading date, is ₱7.30.

The Company is now working on, and completing, the necessary reports and other related requirements to lift the suspension of trading of the Company's listed shares.

Dividends

There were no dividend declarations made for the two most recent fiscal years and for the subsequent interim periods.

Recent Sales of Unregistered or Exempt Securities

As part of the Company's compliance to the minimum public ownership requirement of at least 10% of the Company's total issued and outstanding stock, the Company's Board of Directors approved on 20 April 2022 the issuance of 335,000 common shares (the "Subject Shares") out of the unissued portion of the authorized capital stock of the Company. The Subject Shares is equivalent to 0.014% of the resulting number of issued and outstanding shares of the Company after the issuance thereof.

The Subject Shares was offered to Mr. Chris Ryan R. Cruz (the "Subscriber"), an existing unrelated and public stockholder of the Corporation, as a transaction exempt from registration pursuant to Section 10.1 (e) of the Securities Regulation Code (the "Transaction").[3] On 26 April 2022, the Company paid the corresponding Documentary Stamp Tax (DST) on the original issue of the Subject Shares.

Holders

The Company has approximately 67 common shareholders as of 31 May 2022, of which the top 20 common shareholders are:

Shareholder's Name	Nationality	No. of Shares	Percentage
1. SULTAN 900 CAPITAL, INC.	FILIPINO	2,101,617,900	89.99988%
2. ASPAC LOGISTICS & TRADING PTY LIMITED	OTHERS	126,000,000	5.39584%
3. SHERWIN MENDIOLA	FILIPINO	35,700,000	1.52882%
4. EMILIO TIU	FILIPINO	34,755,000	1.48835%
5. CHRIS RYAN R. CRUZ	FILIPINO	20,915,000	0.89567%
6. FAUSTO TIU	FILIPINO	13,755,000	0.58905%
7. PCD NOMINEE CORPORATION (FILIPINO)	FILIPINO	1,876,700	0.08037%
8. ANTONIO T. DEBLOIS	FILIPINO	211,800	0.00907%
9. JUANITA E. DE CACHO	FILIPINO	49,400	0.00212%
10. NIEVES C. SANTOS REYES	FILIPINO	43,300	0.00185%
11. PAZ G. VDA. DE CACHO	FILIPINO	36,300	0.00155%
12. JOSE LUIS ABAD	FILIPINO	34,700	0.00149%
13. JUANITA/ ISABEL GARCIA	FILIPINO	22,900	0.00098%
14. ROMAN R. OBLENA, JR.	FILIPINO	22,900	0.00098%
15. JOSEFINA COROMINAS	FILIPINO	17,500	0.00075%
16. LEON MA. GUERRERO	FILIPINO	17,500	0.00075%
17. FEDERICO ELIZALDE	SPANISH	7,300	0.00031%
18. LORENZO M. TANADA	FILIPINO	6,400	0.00027%
19. PCD NOMINEE CORPORATION (NON-FILIPINO)	OTHERS	4,900	0.00021%
20. PACIFICO DE OCAMPO	FILIPINO	4,500	0.00019%

COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE

The Company continues to abide by the duly adopted Manual on Corporate Governance of the Company and the Code of Corporate Governance promulgated by the SEC.

The Corporate Governance is the framework of rules, systems and processes in the corporation that governs the performance of the Board of the Directors and Management of their respective duties and responsibilities to stockholders and other stakeholders which include, among others, customers, employees, suppliers, financiers, government and community in which it operates *(SEC Memorandum*

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[3] SECTION 10. *Exempt Transactions.* — 10.1. The requirement of registration under Subsection 8.1 shall not apply to the sale of any security in any of the following transactions: XXX

(e) The sale of capital stock of a corporation to its own stockholders exclusively, where no commission or other remuneration is paid or given directly or indirectly in connection with the sale of such capital stock. XXX

Circular No. 9, Series of 2014).

On 22 November 2016, the SEC issued SEC Memorandum Circular No. 19, Series of 2016 or the Code of Corporate Governance for Publicly-Listed Companies, mandating all publicly-listed companies to submit a new Manual on Corporate Governance. In compliance thereto, the Company updated its Manual on Corporate Governance and submitted the same to the SEC on 02 August 2017.

The Company, in compliance with leading practice on corporate governance made NO deviations from the Company's Manual of Corporate Governance.

The Company will continue to keep abreast with, and implement all rules and regulations on corporate governance.

GLOBALPORT 900, INC.

ATTACHMENTS TO
INFORMATION STATEMENT
(SEC FORM 20-IS)
for the Annual Stockholders' Meeting to be held on
30 June 2022

Document	Annex
Certification of Atty. Ariel R. Arriola *(nominee for Independent Director)*	**"A-1"**
Certification of Mr. Alejandrino J. Ferreria *(nominee for Independent Director)*	**"A-2"**
Certification of Atty. Lara Victoria Estevez-Austria *(nominee for Independent Director)*	**"A-3"**
Certification of Corporate Secretary on the Board of Directors and Officers	**"B"**
Annual Report with Consolidated Audited Financial Statements for the year ended 31 December 2020	**"C"**
Quarterly Report for the Quarter ending 30 June 2021	**"D"**

ANNEX "A-1"

CERTIFICATE OF INDEPENDENT DIRECTOR

I, ARIEL R. ARRIOLA, Filipino, of legal age and resident of 59 Lanzones Drive, Ayala Westgrove Heights, Silang, Cavite, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee as an Independent Director of Globalport 900, Inc. (the "Corporation").

2. I am affiliated with the following companies or organizations (none of which are Government-Owned and Controlled Corporations):

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
PTFC Re-Development Corp.	Independent Director	4 years
Tradition Financial Services Philippines Inc.	Independent Director	3 years
DBP-Daiwa Capital Markets Philippines, Inc.	Independent Director	4 years
WorkHaven Space, Inc.	Corporate Secretary	5 years
Piedra Angular Holdings, Inc.	Director/Corporate Secretary/Treasurer	11 years
Global Security Solutions, Inc.	Corporate Secretary	6 years
Millenium1 Solutions Philippines, Inc.	Corporate Secretary	5 years
Camomile Resources, Incorporated	Director	4 years
Caravel Resources, Incorporated	Director	4 years
Fort William Holdings, Inc.	Director	5 years
Halifax Capital Resources, Incorporated	Director	5 years
Le Rossignol, Inc.	Director	5 years
Antonio and Mercedes (ANMER), Inc.	Corporate Secretary	14 years
Aviso Holdings, Incorporated	Corporate Secretary	5 years
Batarasa Resources, Inc.	Corporate Secretary	5 years
Caritan Development (CDC) Corporation	Corporate Secretary	14 years
Cynthia, Johnny, Virginia and Anthony (CJVA), Inc.	Corporate Secretary	14 years
Grupo Alfaro, Inc.	Corporate Secretary	11 years
Eagle Ridge Hotel Corporation	Corporate Secretary	10 years
Intelligent Agro-Technical Resources, Inc.	Corporate Secretary	5 years
Johnny, Andrews, Virginia, Anthony, Cynthia (JANVAC), Inc.	Corporate Secretary	14 years
Kombi Land, Inc	Corporate Secretary	5 years
Midway Holdings, Inc	Corporate Secretary	5 years
Redix, Incorporated	Corporate Secretary	5 years
Headland Road Capital Inc.	Director/Corporate Secretary	8 years
Philwin Interactive Entertainment Inc.	Director/Corporate Secretary	9 years
Petrus Investors Inc.	Director/Corporate Secretary	9 years
Xavier 88 Association, Inc.	Secretary	9 years

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Corporation, as provided for in Section 38 of the

Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/ SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
N/A	N/A	N/A

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

6. I shall faithfully 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.

7. I shall inform the Corporate Secretary of the Corporation of any changes in the above-mentioned information within five days from its occurrence.

Done, this 23 May 2022, in Makati City, National Capital Region, Philippines

ARIEL R. ARRIOLA
Affiant

MAKATI CITY MAY 2 3 2022

SUBSCRIBED AND SWORN to before me this this 23 May 2022, in Makati City, National Capital Region, Philippines, Affiant exhibited to me his Integrated Bar of the Philippines ID No 03320.

Doc. No. 8;
Page No. 2;
Book No. 76;
Series of 2022.

ATTY. JOSHUA P. LAPUZ
Notary Public Makati City
Until Dec. 31, 2023
Appointment No. M-019-(2022-2023)
PTR No. 8852510 Jan. 3, 2022 / Makati
IBP Lifetime No. 04897 Roll No. 45790
MCLE Compliance No. VI-0016565
G/F Fedman Bldg., 199 Salcedo St.
Legaspi Village, Makati City

ANNEX "A-2"

REPUBLIC OF THE PHILIPPINES
MAKATI CITY) S.S

CERTIFICATE OF INDEPENDENT DIRECTOR

I, **ALEJANDRINO J. FERRERIA**, Filipino, of legal age and resident of 96 Cordillera Steet, Sta. Mesa Heights, Barangay Lourdes, Quezon City, Metro Manila, Philippines, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a nominee as an Independent Director of **Globalport 900, Inc.** (the "Corporation").

2. I am affiliated with the following companies or organizations, none of which are government-owned and controlled corporations:

Company/Organization	Position/Relationship	Period of Service
Swift Foods Inc.	Independent Director	current
Asian Center for Entrepreneurship and Management Education (ACEME) Inc.	President and Director	2012 to present
Esquire Financing Inc.	Director	2012 to present
Lakpue Drug, Inc.	President and Director	2010 to present
Euro Chemicals Inc.	President and Director	2000 to present
Goodyear Tire and Rubber Company	Director	1995 to present
Pascual Laboratories, Inc.	Director	1995 to present

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

4. I am not related to any of the director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the SRC.

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

6. I shall faithfully comply with my duties and responsibilities as Independent Director under the SRC and its IRR, the Code of Corporate Governance, and other SEC issuances.

7. I shall inform the Corporate Secretary of the Corporation of any changes in the above-mentioned information within five (5) days from its occurrence.

Done this MAY 2 3 2022, in Makati City, Philippines.

ALEJANDRINO J. FERRERIA
Affiant

SUBSCRIBED AND SWORN to before me this MAY 2 3 2022, in Makati City, Philippines, Affiant exhibiting to me competent evidence of identity in the form of his Philippine Passport No. P6756309A valid until 12 April 2028.

Doc. No. 215;
Page No. 44;
Book No. III;
Series of 2022.

MICHELLE A. VALE CRUZ
NOTARY PUBLIC FOR MAKATI CITY
Roll No. 71772 / Appointment No. M-241
Unit 12-GS KL Tower, 117 Gamboa Street
Legaspi Village, Makati City
IBP No. 183308/01-03-2022/Cavite
PTR No. 8868822/01-18-2022/Makati City
MCLE Compliance No. VI-027525/06-24-19
Commission extended until 30 June 2022

ANNEX "A-3"

REPUBLIC OF THE PHILIPPINES
MAKATI CITY) S.S

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **Lara Victoria Estevez-Austria**, Filipino, of legal age and resident of No. 2 Penang St., Amarilyo Crest, Havila Filinvest Township, Taytay, Rizal, Philippines, after having been duly sworn to in accordance with law, do hereby declare that:

1. I am a nominee for Independent Director of **Globalport 900, Inc.** (the "Corporation").

2. I am affiliated with the following companies or organizations (including government-owned and controlled corporations):

Company/Organization	Position/Relationship	Period of Service
Puyat Jacinto & Santos (PJS) Law	Associate Lawyer	July 2016 to June 2018
Department of Tourism	Attorney III Director IV	July 2018 Oct 2018 to Present

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

4. I am not related to any of the director/officer/substantial shareholder of the Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the SRC.

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

6. I have the required permission from the Secretary of the Department of Tourism to be an independent director in the Corporation, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.

7. I shall faithfully comply with my duties and responsibilities as Independent Director under the SRC and its IRR, the Code of Corporate Governance, and other SEC issuances.

8. I shall inform the Corporate Secretary of the Corporation of any changes in the above-mentioned information within five (5) days from its occurrence.

[Signature page follows]

Done this MAY 3 1 2022, in Makati City, Philippines.

Lara Estevez-Austria
Affiant

SUBSCRIBED AND SWORN to before me this MAY 3 1 2022, in Makati City, Philippines, Affiant exhibiting to me competent evidence of identity in the form of her Unified Multi-Purpose ID No. CRN 0111-8431618-5.

Doc. No. 236;
Page No. 49;
Book No. III;
Series of 2022.

MICHELLE A. VALE CRUZ
NOTARY PUBLIC FOR MAKATI CITY
Roll No. 71772 / Appointment No. M-241
Unit 12-GS KL Tower. 117 Gamboa Street
Legaspi Village, Makati City
IBP No. 183308/01-03-2022/Cavite
PTR No. 8868822/01-18-2022/Makati City
MCLE Compliance No. VI-027525/06-24-19
Commission extended until 30 June 2022

ANNEX "B"

REPUBLIC OF THE PHILIPPINES
) S.S.

CERTIFICATION

I, **AGNES H. MARANAN**, of legal age, Filipino, and with office address at Unit 2701 One Corporate Center, Julia Vargas Avenue corner Meralco Avenue, Ortigas Center, Pasig City, after having been duly sworn to in accordance with law, hereby depose and state:

1. I am the Corporate Secretary of **GLOBALPORT 900, INC.** (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with principal office address at Unit 2701 One Corporate Center, Julia Vargas Avenue corner Meralco Avenue, Ortigas Center, Pasig City.

2. Other than Atty. Lara Victoria Estevez-Austria (nominated as an independent director), who has the required permission from the Secretary of the Department of Tourism to be an independent director in the Corporation, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules, no other nominee, incumbent director, or officer of the Corporation is currently in the government service or is affiliated with any government agencies or its instrumentalities.

3. This Certification is being issued for whatever legal purpose it may serve.

IN WITNESS WHEREOF, I have affixed my signature this JUN 06 2022 in MAKATI CITY.

AGNES H. MARANAN
Affiant

SUBSCRIBED AND SWORN to before me this JUN 06 2022 in MAKATI CITY, affiant exhibiting to me her UMID CRN-0111-7398389-1.

Doc. No. 289;
Page No. 59;
Book No. 11;
Series of 2022.

MICHELLE A. VALE CRUZ
NOTARY PUBLIC FOR MAKATI CITY
Roll No. 71772 / Appointment No. M-241
Unit 12-GS KL Tower, 117 Gamboa Street
Legaspi Village, Makati City
IBP No. 183308/01-03-2022/Cavite
PTR No. 8868822/01-18-2022/Makati City
MCLE Compliance No. VI-027525/06-24-19
Commission extended until 30 June 2022

ANNEX "C"

Gmail

Aya Balana <yangmbalana@gmail.com>

2020 17-A_Globalport 900, Inc.

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> 7 April 2022 at 10:00
To: yangmbalana@gmail.com

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.
(Subject to Verification and Review of the Quality of the Attached Document)
Official copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, Monthly Reports, Quarterly Reports, Letters, through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail, eFAST/OST or over- the- counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL (OST)** such as:
AFS, GIS, GFFS, LCFS, LCIF, FCFS. FCIF, IHFS, BDFS, PHFS etc. ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

FOR MC28, please email to:

https://apps010.sec.gov.ph

For your information and guidance.

Thank you and keep safe.

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, 2020**

2. SEC Identification Number **PW-225** 3. BIR Tax Identification No. **000-477-902**

4. Exact name of issuer as specified in its charter **GLOBALPORT 900, INC.**

5. **Metro Manila, Philippines**
   Province, Country or other jurisdiction of incorporation or organization

6. [ ] (SEC Use Only)
   Industry Classification Code

7. **Unit 2701 One Corporate Centre, Meralco Ave. cor. Julia Vargas Ave. Ortigas Center, Pasig City**
   Address of principal office
   1605
   Postal Code

8. **(632) 86378851**
   Issuer's telephone number, including area code

9. **N/A**
   Former name, former address, and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code, or Section 4 and 8 of the Revised Securities Act.

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Shares	2,334,798,500

11. Are any or all of these securities listed on the Philippine Stock Exchange
    Yes [X] No [ ]

12. Check whether the registrant:
    a) has filed all reports required to be filed by Section 17 of the Securities Regulation Code and paragraph (2)(a) Rule17, 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 [X] No [ ]
    b) has been subject to such filing requirements for the past 90 days.
       Yes [X] No [ ]

13. Aggregate market value of voting stock held by non-affiliates.

The aggregate market value of Globalport 900, Inc. voting stocks held by non-affiliates is P1,702,211,810.00 at a market price P7.30 per share on 16 May 2014.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report signed on behalf of the issuer by the undersigned, thereunto duly authorized in the City of Pasig on 0 5 APR 2022, 2022.

Issuer: **GLOBALPORT 900, INC.**

SHEILA MARIE B. ROMERO
Chairman of the Board/ President

WALTER ENRIQUE R. RAMOS
Treasurer

AGNES H. MARANAN
Corporate Secretary

0 5 APR 2022

SUBSCRIBED AND SWORN to before this ________ day of ________, affiant(s). Exhibiting to me their valid identification, as follows:

NAMES	TAX IDENTIFICATION NUMBER
SHEILA MARIE B. ROMERO	159-497-849-000
WALTER ENRIQUE R. RAMOS	102-094-959-000
AGNES H. MARANAN	131-974-647-000

Doc. No.: 241
Page No.: 50
Book No.: II
Series of 2022

JONELYN JAN B. ATON
NOTARY PUBLIC
SAN JUAN & PATEROS
ROLL NO. 68295

JONELYN JAN B. ATON
Appointment No. 62 (2021-2022)
Notary Public for Pasig, San Juan and Pateros
Until December 31, 2022
PTR No. 8131883/01-10-2022/Pasig City
IBP Lifetime No. 016267/05-08/2017/RSM
Roll No. 68295
MCLE Compliance No. VI-0022242/04-14-2022
3109 One Corporate Center, Julia Vargas cor. Meralco Ave.
Ortigas Center, Pasig City

TABLE OF CONTENTS

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

Business Development.

(i) GLOBALPORT 900, INC. (The "Company" or "G900")

The Company was incorporated and registered with the Securities and Exchange Commission (SEC) on May 1, 1933 as Metropolitan Insurance Company. The Company is a public company whose shares are listed in Philippine Stock Exchange (PSE) since June 9, 1948. On December 7, 2011, the SEC approved the change in corporate name of the Parent to Globalport 900, Inc. and the amendments to its primary purpose after the acquisition of its Ultra Parent Company, Sultan 900, Inc from Ventcap, Inc. in 2011. Its primary purpose, as amended, is to own, invest, manage, operate, maintain and develop port facilities, including other maritime activities supportive of port operations and shipping, and to establish or acquire subsidiaries and affiliates within or outside the Philippines for the same purposes herein set forth including those incidentals thereto.

Sultan 900 Capital, Inc. is a domestic holding company with investments in ports and shipping industries and other infrastructure developments in the Philippines, it owns about 90% of the Company while the remaining shares are held by the public.

G900 has a 96.32% equity interest in Harbour Centre Port Holdings, Inc. (HCPHI), a domestic corporation registered with the SEC on September 12, 2007 as a holding company whose interests are in ports and logistics operations and management.

(ii) Subsidiary

As of December 31, 2020, the Company controls the following direct subsidiary:

- **Harbour Centre Port Holdings Inc. ("HCPHI")**, is a stock corporation incorporated in the Philippines and registered with the SEC on 12 September 2007. It is engaged primarily in port business operations. It is primarily to, purchase, subscribe for or otherwise, own, hold, use, sell, assign, transfer, mortgage, pledge, exchange or dispose of real and/or personal properties of every kind and description, including shares of stock, whether listed in the stock exchange or not, voting trust certificates, certificates of participation, share warrants, option warrants and other securities and to pay therefore, in whole or in part, cash, property, or stocks, bonds or securities issued by them or another corporation.

Business of Issuer. As a consequence of the change in the corporate name and primary purpose of the Company and as of 31 December 2020, it has explored possibilities of investing in companies and or projects engaged in the ports and shipping industry and in other infrastructure projects.

The Company and its subsidiaries continue to look for other business ventures in port operations and management, port development and in infrastructure projects.

Production. As it is primarily engaged in port management and operations, the Company is mainly a services-oriented company on port related operations, which provides service as its main product, such as but not limited to port management and cargo handling.

Products/Sales/Competition. The plans for production and/or sales are being prepared and programmed. Moreover, the Company has minimal competition, as there only a few major players in the industry in ports and shipping.

Transactions with and/or dependence on related parties. The information required is disclosed in the notes of the Company's Audited Financial Statements.

Patents, trademarks, copyrights, licenses, franchises, concessions, and royalty agreements. The Company does not possess any patents, trademarks, copyrights, franchises, concessions, and royalty agreements.

Governmental regulations. The Company currently complies with the governmental regulations and is seeking approval from government agencies. The effect of existing governmental regulations is mainly the corresponding costs of compliance to the Company, which can be taken up as expense or capital asset under generally accepted accounting principles.

Research and Development. As of the date of this report, the Company continuously studies the possibilities of expansion of its investments in other ports and in infrastructures and its related businesses within the country.

Employees. The Company intends to hire the required manpower to support the operations of the Company as the business improves.

Major Risk/s. While the Company is still in the process of evaluating viable port management/operation opportunities, the management has started to scan the events and trends in the ports industry in order to identify and assess risks that may affect the Company in the future. It also tries to access possible internal risks and weaknesses in its future operations and develop the necessary management strategies to combat these risks or minimize its possible effect to the Company. The major risks the company anticipates are as follows:

a. **Economic and Political Considerations.** The Company will be influenced by the general political and economic situation of the Philippines. Any political and/or economic instability in the future may have a negative effect on the ports and shipping industry.

b. **Development Risk.** Future investment in port management, operation and infrastructure shall be based on the results of a pre-feasibility study to be conducted by the Company. The study shall use estimates of expected or anticipated projected economic returns based on assumptions such as volume of each potential port acquisition, anticipated capital expenditures and cash operating costs.

   Actual cash operating costs, production and economic returns may differ significantly from the Company's projections due to numerous uncertainties inherent to any development and construction of projects. To address this particular risk, the Company will hire consultants in the industry to do a due diligence and feasibility study.

c. **Liquidity and Capital Resource Requirements.** Any future project shall entail capital expenditures and funding requirement which shall be sourced prior to any acquisition. The Company shall undertake measures to raise funds through internally generated funds, debt and/or from private placements.

Item 2. Properties

The Company's properties and equipment include those of the subsidiaries to the extent of its equity therein amounting to ₱10,536 and ₱23,160 as of 31 December 2020 and 31 December 2019, respectively. See Note 7 of the Audited Consolidated Financial Statements for more details.

Item 3. Legal Proceedings

There are no pending legal proceedings involving the Company.

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

No matter was submitted to a vote of security holders during the period covered by this report.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

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

Market Information. Prior to the acquisition by Sultan 900 of 90% of the total issued and outstanding capital stock of the Company, the shares of the Company have not been actively trading since 31 December 1995, and its last trading was on 27 November 1998 where the trading price was One Hundred Three Pesos (P103.00) per share. Sultan 900 bought Five Hundred Sixteen Thousand Two Hundred Seventeen (516,217) shares from Ventcap, Inc. at the price of Three Hundred Thirty-Nine Pesos (P339.00) per share. After the acquisition in 2011, the shares were again actively traded in 2012 and until May 2014.

The closing price of the Company's common shares on 16 May 2014, the last trading date is Seven and 30/100 Pesos (P7.30).

The Company's public float is Ten Percent (10%) as of 31 December 2020.

Holders. The Company's capital stock consists of unclassified common shares. As of 31 December 2020, Ninety-Four and 15/100 Percent (94.15%) is owned by Filipinos while Five and 85/100 Percent (5.85%) is owned by foreign nationalities.

There are sixty-one (61) stockholders as of 31 December 2020 and the common shares outstanding is Two Billion Three Hundred Twenty-Four Million Seven Hundred Ninety-Eight Thousand Five Hundred (2,334,798,500) (net of Two Hundred One Thousand Five Hundred (201,500) treasury shares) while the listed shares are Fifty-Four Million Two Hundred Twelve Thousand Two Hundred (54,212,200)

The top twenty Stockholders as of 31 December 2020 are as follows:

Shareholder's Name	Nationality	No. of Shares	Percentage
Sultan 900 Capital, Inc	FIL	2,101,617,900	90%
Aspac Logistics & Trading Pty Ltd	BVI/Foreign	126,000,000	5%
Sherwin Mendiola	Fil	35,700,000	1%
Emilio Tiu	Fil	34,755,000	1%
Chris Ryan Cruz	Fil	20,580,000	1%
Fausto Tiu	Fil	13,755,000	1%
PCD Nominee Corporation	Fil	1,876,700	0%
Antonio T. Deblois	Fil	211,800	0%
Juanita E. De Cacho	Fil	49,400	0%
Nieves C. Santos Reyes	Fil	43,300	0%
Paz G. Vda De Cacho	Fil	36,300	0%
Jose Luis Abad	Fil	34,700	0%
Juanita / Isabela Garcia	Fil	22,900	0%
Roman R. Oblena Jr	Fil	22,900	0%
Josefina Coromina	Fil	17,500	0%
Leon Ma. Guerrero	Fil	17,500	0%
Federico Elizalde	Fil	7,300	0%
Lorenzo M. Tañada	Fil	6,400	0%
PCD Nominee Corporation	Foreign	4,900	0%
Pacifico De Ocampo	Fil	4,500	0%

Dividends. The Company has not declared any cash or stock dividend of its common equity for the past three (3) years. Other than the requirement of unrestricted retained earnings, there are no restrictions that would limit the Company's ability to pay dividends on common equity or that which would be unlikely for it to do in the future.

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

Plan of Operation. The Group actively participates in different ports and infrastructure projects to attain financial sustainability and strengthen its financial position.

Analysis of Financial Condition and Results of Operations

The following table shows the consolidated financial highlights of the Company for the current year ended 31 December 2020 with comparative figures of the previous years and as of end of year for 2019 and 2018.

	December 31, 2018	December 31, 2019 *(As Restated)*	December 31, 2020
Income Statement Data			
Total Revenue	–	–	–
Gross Profit	–	–	–
Earnings Before Interest and Tax (EBIT)	(119,240,074)	(14,116,404)	(10,145,238)
Net Income (Loss)	(119,240,074)	(14,116,404)	(10,145,238)
Depreciation	2,105	12,634	12,624
Taxes	–	–	–
Interest expense	–	–	–
Balance Sheet Data			
Total Current Assets	40,716,871	7,525,123	7,446,139
Advances to Related Parties – Current Portion	–	–	195,000,000
Advances to Related Parties – Non-Current Portion	195,000,000	195,000,000	–
Prepayments	–	25,703,267	19,636,627
Property and Equipment - net	35,794	23,160	10,536
Investment in Stocks	–	6,249,900	6,249,900
Total Assets	235,752,665	234,501,450	228,343,202
Current Liabilities	250,378,965	80,549,367	84,536,357
Total Liabilities	250,378,965	80,549,367	84,536,357
Stockholders' Equity	(14,626,300)	153,952,083	143,806,845
Total Liabilities & Stockholders' Equity	235,752,665	234,501,450	228,343,202
Current Ratio	0.163	0.093	2.394
Solvency Ratio	1.064	0.343	0.370
Debt to Equity Ratio	(17.118)	0.523	0.588
Interest rate coverage ratio	–	–	–
Gross Profit Margin	0.00%	0.00%	0.00%
Net Profit Margin	0.00%	0.00%	0.00%

Based on the above table the following are key performance indicators of the Company for 2020, 2019, and 2018:

(a) ***Working Capital Ratio or Current Ratio*** – This will measure how liquid the Company is and its ability to meet its current obligations. It is computed by dividing total current assets with the total current liabilities.

(b) ***Debt Management Ratio or Solvency Ratio*** – This is computed by dividing the total liabilities by the total assets.

(c) ***Debt Equity Ratio*** – This will explain the relationship between how the assets were financed by the Company's creditors and its stockholders. This is computed by dividing the total liabilities over the stockholders' equity.

(d) ***Interest Rate Coverage Ratio*** – A ratio used to determine how easily a company can pay interest on outstanding debt. The interest rate coverage ratio is calculated by dividing the Company's earnings before interest and taxes (EBIT) of one period by the Company's interest expenses of the same period.

(e) ***Gross Profit Margin*** – Gross profit margin (gross margin) is the ratio of gross profit (gross sales less cost of sales) to sales revenue. It is the percentage by which gross profit exceeds production costs. Gross margins reveal how much a company earns taking into consideration the costs that it incurs for producing its products or services.

(f) ***Net Profit Margin*** – Net profit margin (or profit margin, net margin) is a ratio of profitability calculated as after-tax net income (net profits) divided by sales (revenue). Net profit margin is displayed as a percentage. It shows the amount of each sale left over after all expenses have been paid.

Changes in Financial Condition and Operating Results

The Company and its subsidiaries have no commercial operations as at 31 December 2020. Nevertheless, during the same period, the Company and its subsidiary looked for other business opportunities in line with its primary purpose and expertise in the field of port management and operations. The Company participated in various competitive biddings related to operations of air and sea ports and other investment opportunities.

Material Events and Uncertainties. For both years, the Company has nothing to report on the following, other than the disclosures mentioned in the notes to the financial statements and the matters discussed above.

Item 7. Financial Statements

The 2020 Audited Financial Statements of the Company and its subsidiaries are incorporated herein by reference. The schedules listed in the accompanying index to supplementary schedules are filed as part of this SEC Form 17-A.

The schedules showing the financial soundness indicators in two comparative periods are found in the Item 6 of this report.

Item 8. Information on Independent Accountant and other Related Matters.

Information on Independent Accountant. The Company appointed Roxas, Cruz, Tagle and Co. as the Company's independent external auditor for the year 2020. The appointment of the external auditors was ratified by the Stockholders at the Special Stockholders' meeting held on 12 January 2022.

External Audit Fee for the year 2020:

a) Audit and Audit-Related Fees	2020
1) For the audit of the Company's annual financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements for those fiscal years	985,600
2) For other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements.	–
b) Tax Fees	

For services for tax accounting compliance, advice, planning and any other form of tax services.	–
c) All other Fees	
For products and services rendered by the external auditor, other than the services reported under items (a) & (b) above.	–

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure. There were no changes in and disagreements with accountants on accounting and financial disclosure.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

Directors and Executive Officers. The names of the directors and officers of the Company and their respective ages, position held, citizenship and periods of service as of 31 December 2020, are as follows:

Name	Age	Positions and Offices	Citizenship	Period Served
Edwin Joseph G. Galvez	53	Member, Chairman of the Board of Directors ("BOD")	Filipino	29 Sept 2017 – 12 Jan 2022
Marvee M. Espejo	47	Member, BOD, President	Filipino	29 Sept 2017 – 12 Jan 2022
Agnes H. Maranan	60	Member, BOD, Corporate Secretary	Filipino	29 Sept 2017 – 12 Jan 2022
Frederick M. Arejola	39	Member, BOD, Treasurer	Filipino	29 Sept 2017 – 12 Jan 2022
E. Hans S. Santos	57	Member, BOD, Compliance Office	Filipino	29 Sept 2017 – 12 Jan 2022
Leonardo M. Galang	38	Member, BOD	Filipino	29 Sept 2017 – 12 Jan 2022
Dorothy S. Cajayon (Independent Director)	71	Member, BOD	Filipino	29 Sept 2017 – 12 Jan 2022

The Directors of the Company are elected at the annual stockholders' meeting to hold office until the next succeeding annual meeting and until each respective successor have been elected and qualified. The term of the office of the directors is one (1) year. All of the above members of the Board of Directors as of 31 December 2020 were elected during the Annual Stockholders' meeting on 29 September 2017.

On 12 January 2022, a Special Stockholders' Meeting was held where new directors were elected. Only Mr. Edwin Joseph G. Galvez and Mr. Marvee M. Espejo were re-elected as directors.

Officers are appointed or elected annually by the Board of Directors during its organizational meeting following the Annual Meeting of Stockholders, each to hold office until the corresponding meeting of the Board of Directors for the next year or until a successor shall have been elected, appointed or shall have qualified. The Officers as of the reporting period, 31 December 2020, were first appointed/elected during the Organizational meeting held on 29 September 2017.

The business experiences for the last five (5) years and other directorships in other reporting companies of the aforementioned directors and officers, as of 31 December 2020, are as follows:

EDWIN JOSEPH G. GALVEZ (Fifty-Three (53) years old, Filipino) has more than Thirty (30) years of experience in the field of finance and banking operations, more than Twenty (20) years in management, corporate and project finance, investment banking, and treasury functions in the ports and shipping, construction, real estate, waste management, and in power and energy industries. He is the Chairman and President of Sultan 900, and a member of the Board of Directors of Harbour Centre Port Holdings and ZC Integrated Port Services, Inc. He served as a member of the Board of Directors and was the Chief Finance Officer of HCPTI, a member of the Board of Directors of Manila North Harbour Port, Inc. ("MNHPI"), Pacifica, Inc., and worked in various financial institutions like Security Bank, Far East Bank & Trust Co. and Philbank. He is a candidate of Asian Institute of Management in Business Management and finished BSC – Business Management from the De La Salle University, Manila.

MARVEE M. ESPEJO (Forty-Seven (47) years old, Filipino) is currently the President of Mikro-Tech Capital Inc., President of Z.C. Integrated Port Services Inc. (ZCIPSI). Prior to joining the foregoing companies, Mr. Espejo served as the Vice President and Treasurer of Pacifica Inc, President of One Source Port Support Services, Inc., the Information and Communications Technology Director of HCPTI, Finance Manager of Investment Analyst at Enviroventures, Inc., Finance Manager at Sunglow Land, Inc., Financial Analyst at Rubicon Holdings Corporation and Marketing Analyst and Personal Assistant at the AFP-Retirement and Separation Benefits System. He finished his academic units for his MBA from De La Salle University Manila and his Bachelor of Arts in Management Major in Human Resource from the same university.

AGNES H. MARANAN (Sixty (60) years old, Filipino) is a Senior and Name Partner at Rivera Santos & Maranan Law Offices. She obtained her Bachelor of Laws from the University of the Philippines – Diliman and her Bachelor of Arts in Psychology graduating *cum laude* from the same university. She was admitted to the bar in 1990 and is a registered patent attorney since 1995. She is a lecturer for the Mandatory Continuing Legal Education (MCLE) Series, Corporate Secretary of BancNet, Inc., Legal Counsel & Corporate Secretary of the Asia South Pacific Association for Basic and Adult Education, Legal Counsel/Corporate Secretary for various entertainment corporation such as Flagship, Inc., and Realty Entertainment to name a few. She likewise was a Professor and Lecturer in the field of law for the University of the Philippines and worked in various legal organizations and institutions.

FREDERICK M. AREJOLA, (Thirty-Nine (39) years old, Filipino), is presently the Head for Ground Operations of the Philippines Air Asia and the PBA Board Governor and a Director for Sultan 900 Capital, Inc. He served as the PBA Vice Chairman and PBA Treasurer, Assistant Vice President for Corporate Promotions and Special Activities, Account Manager, Sales and Marketing Department of HCPTI, Basketball Coach at the De La Salle Santiago Zobel School. He also played as Point Guard for the LBC Batangas Blades at the PBL.

E. HANS S. SANTOS (Fifty-Seven (57) years old, Filipino) is the Managing/Senior Partner at the Rivera Santos & Maranan Law Offices specializing in litigation and taxation law. He obtained his Bachelor Laws and A.B. Economics from the Ateneo de Manila University. Prior to this, he was an Associate Lawyer at the Bautista Picazo Buyco Tan & Fider Law Office and was also a Legal researcher for the Q.C. Regional Trial Court. He is a member of the Order of Demolay and the Aquila Legis Fraternity and was a member of the Ateneo Law School Debating Team and the International Jessup Moot Court Competition Team.

LEONARDO M. GALANG (Thirty-Eight (38) years old, Filipino) is the Executive Vice President of GlobalCity Mandaue Corporation and Board of Director of Z.C. Integrated Port Services, Inc. He worked as Research and Business Development Officer at HCPTI and as Sports Marketing Liaison for the Globalport Batang Pier PBA Basketball Team. He finished his Bachelor of Business Majors in Marketing and Management from the Griffith University – Gold Coast in Australia and his Business Administration – Marketing (Diploma) from Thames International Business School.

DOROTHY M.S. CAJAYON (Seventy-One (71) years old, Filipino) graduated Bachelor of Arts Major in Political Science from Silliman University and Bachelor of Laws from Ateneo de Manila University. She passed the Bar Examination in 1975. She is a partner at Cajayon and Montemayor Law Office and a Board Member of the Foundation for the Development of Children, Inc., was a Zamboanga City Electric Cooperative, Rotary Club of Zamboanga City Central, and Zamboanga City La Bella Lions Club. She served as the first and only lady government prosecutor in Zamboanga City from 1987-2001. Project

Officer of the Human Settlements Commission, Project Officer of the Development Academy of the Philippines.

At the Organizational Meeting of the Board Directors held on 12 January 2022 right after the Special Stockholders' Meeting, Ms. Sheila Marie B. Romero was elected Chairperson and President, replacing Mr. Edwin Joseph G. Galvez, while Mr. Walter Enriquez R. Ramos was elected/appointed Treasurer, replacing Mr. Frederick M. Arejola, effective 12 January 2022. Ms. Agnes H. Maranan was re-appointed as Corporate Secretary of the Company.

Family Relationships. Directors Edwin Joseph G. Galvez and Leonardo M. Galang are related within the sixth degree of consanguinity.

Involvement of Directors and Officers in Certain Legal Proceedings. To the best knowledge and information of the Company, none of its incumbent directors and officers/nominee has been involved during the past five (5) years up to the time this Information Statement is submitted to the Securities and Exchange Commission and the Philippine Stock Exchange, in any legal proceedings, which are material to the evaluation of the ability or integrity of any director, executive officer or nominee of the Company. They are not directly or indirectly involved in such legal proceedings to wit:

a) There is no bankruptcy petition filed by or against any business which any of the incumbent directors/officers was a general partner or executive officer at any time within five (5) years or more;

b) The incumbent directors/officers had no conviction by final judgment for any offense, in criminal proceedings, domestic or foreign nor is any of them the subject of a pending criminal proceedings, not even for a minor offense.

c) Not one of the incumbent directors/officers has been the subject of 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/her involvement in any type of business, securities, commodities or banking activities;

d) The incumbent directors are not found by a domestic or foreign court of competent jurisdiction, the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market of self-regulatory organization, to have violated a securities or commodities law or regulation and said judgment has not been reversed, suspended or vacated.

Item 10. Executive Compensation.

Total short-term benefits provided to the Company and its subsidiaries' (the "Group") key management personnel amounted to nil in 2020.

The Group does not have any standard arrangement pursuant to which officers are compensated, directly or indirectly, for services provided as such, including any additional amounts payable for committee participation or special assignments for the last completed calendar year.

Name of Employee	Position	2020	2019	2018
--	N/A	–	–	–
Total		–	–	–
Bonus and other compensation		–	–	–
Directors		–	–	–
All Officers & Directors as a Group		–	–	–

Below is the summary of the total compensation for the Group:

Name of Company	Position	2020	2019	2018
Globalport 900, Inc	N/A	–	–	–
Harbour Centre Port Holdings, Inc.	N/A	–	–	–
Total		–	–	–
Bonus and other compensation		–	–	–
Directors		–	–	–
All Officers & Directors as a Group		–	–	–

Item 11. Security Ownership of Certain Beneficial Owners and Management.

Security Ownership, Certain Record and Beneficial Owners. As of 31 December 2020, the persons known to the Company to be directly or indirectly the record or beneficial owner of more than 5% of the registrant's voting securities are as follows:

Title of Class	Name, Address of Record Owner and Relationship with issuer	Name of Beneficial Owner & Relationship with Record Owner	Citizenship	Amount & Nature of Shares held at ₱1.00 par value per share	Ownership
Common Shares	Sultan 900 Capital, Inc. Manila Harbour Centre, Road 10 Vitas, Tondo, Manila (Stockholder)	N/A	Filipino	2,101,617,900	90%
Common Shares	Aspac Logistics & Trdg. Pty Ltd, PO Box 2234 IFS Chambers, Rd Town, BVI (Stockholder)	N/A	Foreign	126,000,000	5%
Notes: (1)	Sultan 900 Capital Inc, is a holding company with investments in various companies.				

Security Ownership of Management. The following are the number of shares comprising the Company's capital stock (all of which are voting shares) owned of record by the directors, Chief Executive Officer, and key officers of the Company as of 31 December 2020.

(1) Title of Class	(2) Name of Beneficial Owner	(3) Amount and nature of Beneficial Ownership at P1.00 par value per share	(4) Citizenship	(5) Percent of Class
Common Shares	Edwin Joseph G. Galvez	100	Filipino	0.00%
	Marvee M. Espejo	100	Filipino	0.00%
	Agnes H. Maranan	100	Filipino	0.00%
	Leonardo M. Galang	100	Filipino	0.00%
	E Hans S. Santos	100	Filipino	0.00%
	Anthony Rolando R. Golez, Jr.	100	Filipino	0.00%
	Frederick M. Arejola	100	Filipino	0.00%

	Jose Marie E. Fabella	100	Filipino	0.00%
	Dorothy S. Cajayon	100	Filipino	0.00%
Directors and Executive Officers as a Group Common Shares		900	Filipino	0.00%

**At the Organizational Meeting of the Board Directors held on 12 January 2022 right after the Special Stockholders' Meeting, Ms. Sheila Marie B. Romero was elected Chairperson and President, replacing Mr. Edwin Joseph G. Galvez, while Mr. Walter Enriquez R. Ramos was elected Treasurer, replacing Mr. Frederick M. Arejola, effective 12 January 2022. Ms. Agnes H. Maranan was re-appointed as Corporate Secretary of the Company. Mr. Edwin Joseph G. Galvez and Mr. Marvee M. Espejo were re-elected as directors.*

Voting Trust Holders of 5% or More. There are no holders of voting trust agreements of 5% or more.

Changes in Control. The Company did not have change in control since its acquisition of Sultan 900 Capital, Inc. from Ventcap, Inc. in 2011.

Item 12. Certain Relationships and Related Transactions

See Note 13 (Related Party Transaction) of the Notes to the financial statements.

Parent of the Company. Sultan 900 Capital Inc. owning 90% of the Company is considered the Company's parent company.

Transaction with Promoters. There are no transactions with promoters within the past five (5) years.

PART IV – CORPORATE GOVERNANCE

Item 13. Corporate Governance

In compliance with SEC Memorandum Circular No. 6 Series of 2009, the Company has filed with the SEC and PSE its Manual on Corporate Governance on 30 July 2014. The Company, on 02 August 2017, submitted its updated Manual on Corporate Governance to the SEC and PSE.

The Company has been monitoring its compliance in its updated Manual on Corporate Governance, as well as in the corporate governance practices and policies recommended by relevant regulatory bodies.

The Company will continue to keep abreast with, and implement all rules and regulations on corporate governance.

PART V - EXHIBITS AND SCHEDULES

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

(a) Exhibits - Exhibits here refers only to the Audited Financial Statements of the Company and its Subsidiaries and Reports on SEC form17-C. There is no management contract or compensatory plan or arrangement required to be filed as exhibit to this form.

(b) Reports on SEC Form 17-C - Reports on SEC form 17-C during the last six months of 2020 follows:

Date	Particulars
09 September 2020	Approval of the Corporation's Consolidated Audited Financial Statements for the year ending 31 December 2016.
07 December 2020	Approval of the Corporation's Consolidated Audited Financial Statements for the year ending 31 December 2017.
07 December 2020	Approval of the Corporation's Consolidated Audited Financial Statements for the year ending 31 December 2018.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

SEC FORM 17-A

CONSOLIDATED FINANCIAL STATEMENTS	
Statement of Management's Responsibility for Consolidated Financial Statements	Attached
Report of Independent Auditors	Attached
Consolidated Statements of Financial Position as of December 31, 2020 and 2019	Attached
Consolidated Statements of Comprehensive Income for the Years ended December 31, 2020, 2019 and 2018	Attached
Consolidated Statements of Changes in Equity for the Years ended December 31, 2020, 2019 and 2018	Attached
Consolidated Statements of Cash Flows for the Years ended December 31, 2020, 2019 and 2018	Attached
Notes to the Consolidated Financial Statements	Attached
SUPPLEMENTARY SCHEDULES	
Report of Independent Auditors on Supplementary Schedules	Attached
List of Applicable Standards and Interpretations	Attached
Financial Soundness Indicators	Attached
Schedule A. Marketable Securities - (Current Marketable Equity Securities and Other Short-term cash Investment)	NA
Schedule B. Amounts Receivables from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Affiliates)	Attached
Schedule C. Amounts Receivable from Related Parties which are eliminated during the consolidation of financial statement	NA
Schedule D. Intangible assets – Other assets	NA
Schedule E. Long-Term Debt	NA
Schedule F. Indebtedness to Related Parties	Attached
Schedule G. Guarantees of Securities and Other Issuers	NA
Schedule H. Capital Stock	Attached

SCHEDULE B – Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (other than Affiliates)

Name of Related Party (1)	Balance at Beginning of Period	Balance at End of Period (2)
Ultimate Parent Company	195,000,000	195,000,000

Notes:

1. See Note 13 of the Notes to Consolidated Financial Statements.
2. The P195M represents the receivable of HCPHI from Sultan 900 as concurred in an Intercompany Agreement to carry on its business development activities and investment diversification strategy. This receivable is non-interest bearing and will be repayable within five (5) years from the date of agreement and Sultan 900 has the option to repay all or any portion of the amount prior to its term. As of the reporting date, the Ultimate Parent returned the full amount to HCPHI for its participation on ports bidding projects.

SCHEDULE F- Indebtedness to Related Parties

Name of Related Party (1)	Balance at Beginning of Period	Balance at End of Period (2)
Ultimate Parent Company	-	1,064,180
Stockholders	73,930,569	74,705,071
Total	73,930,569	75,769,251

Notes:

1. See Note 13 of the Notes to Consolidated Financial Statements
2. Advances during 2020 from the Ultimate Parent Company represents the acquisition of computer application for the use of the Group in the ordinary course of its business
3. The advances from stockholders will be settled in cash although no guarantees have been given since these are unsecured, non-interest bearing and payable on demand.

SCHEDULE J – Capital Stock

Please refer to Note 10 of the Notes to Consolidated Financial Statements for updated disclosure/information on the capital stock of the issuer.

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number
P W 0 0 0 0 0 2 5

COMPANY NAME

G L O B A L P O R T 9 0 0 , I N C . A N D S U B S I D I A R Y
(f O r m e r l y M I C H o l d i N g s , I n c .)

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

U N I T 2 7 0 1 C O R P O R A T E C E N T R E
J U L I A V A R G A S A V E . C O R . M E R A L C O A V E .
O R T I G A S C E N T E R , P A S I G C I T Y

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S	CRMD	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
info@globalport.com.ph	8637-8851	-

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
61	Any day in June	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
Edwin Joseph G. Galvez	egalvez@globalport.com.ph	(632) 637 8851	9178625232

CONTACT PERSON'S ADDRESS

Unit 2701 One Corporate Centre Julia Vargas, Ortigas Center, Pasig City, 1605 Metro Manila

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

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

GLOBALPORT900, INC. AND SUBSIDIARY

(Formerly MIC Holdings, Inc.)

INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2020

**These schedules, which are required by Revised SRC Rule 68, have been omitted because they are either not required, not applicable or the information required to be presented is included/shown in the related financial statements or in the notes thereto.*

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The management of Globalport 900, Inc. and Subsidiary (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, as at and for the calendar year ended December 31, 2020, 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Roxas Cruz Tagle and Co., the independent auditors, appointed by the members, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the members, has expressed its opinion on the fairness of presentation upon completion of such audit.

Sheila Marie B. Romero
Chairman of the Board/President

Walter Enrique R. Ramos
Treasurer

SUBSCRIBED AND SWORN to me before at PASIG CITY this 17 MAR 2022 day of ________, affiants exhibited to me their ________________.

Doc. No. 19
Page No. 36
Book No. II
Series of 2022

JONELYN JAN B. ATON
NOTARY PUBLIC
PASIG CITY
SAN JUAN
&
PATEROS
ROLL NO. 68295

JONELYN JAN B. ATON
Appointment No. 62 (2021-2022)
Notary Public for Pasig, San Juan and Pateros
Until December 31, 2022
PTR No. 8131883/01-10-2022/Pasig City
IBP Lifetime No. 016267/05-08/2017/RSM
Roll No. 68295
MCLE Compliance No. VI-0022242/04-14-2022
1008 One Corporate Center, Julia Vargas cor. Meralco Av.
Ortigas Center, Pasig City

BOA/PRC Reg. No. 0001,
August 1, 2021, valid until March 17, 2024
SEC Accreditation No. 0005-SEC,
April 13, 2021, valid until April 12, 2024

27th Floor Multinational Bancorporation Centre
6805 Ayala Avenue, Makati City 1226 Philippines
www.bdo-roxascruztagle.ph
Tel: +(632) 8844 2016
Fax: +(632) 8844 2045

INDEPENDENT AUDITOR'S REPORT

The Shareholders and the Board of Directors
Globalport900, Inc. *(Formerly MIC Holdings, Inc.)* and Subsidiary
Unit 2701 One Corporate Centre
Julia Vargas Ave., cor. Meralco Ave.,
Ortigas Center, Pasig City

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Globalport900, Inc. *(Formerly MIC Holdings, Inc.)* and Subsidiary, ("the Group") which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statement of comprehensive loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Other Matter

The financial statements of the Group as at and for the year ended December 31, 2019 were audited by another auditor whose report dated June 25, 2021, expressed an unmodified opinion on those statements.

Emphasis of matters

Without qualifying our opinion, we draw your attention on the Group's trading suspension as disclosed in Note 16 to the consolidated financial statements. On May 9, 2014, the trading of the Group's securities was suspended by the Philippine Stock Exchange (PSE) until further notice. As at reporting date, the trading of the Group's securities is still suspended.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. 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 an opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Recoverability of Advances to Sultan 900 Capital, Inc. (the "Ultimate Parent")

As at December 31, 2020, the Group has outstanding advances to related party amounting to ₱25,703,263. This is significant to our audit because of the materiality of the and the assessment of recoverability requires high level of management judgment and estimation of future cash repayments. The Management disclosure about the transaction and recoverability of the amount is included in Note 13 of the consolidated financial statement.

Audit Response

Our audit procedures focused on the evaluation of management's assessment on the recoverability of the advances to related party. We obtained the memorandum of agreement between the two Companies covering the repayment agreement which is through offsetting of marketing expenses charged by Sultan 900 to the Group. We also obtained confirmation from the Ultimate Parent for the acknowledgement of the liability to the Group.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Report on the Supplementary Information Required by the Bureau of Internal Revenue (BIR)

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as whole. The supplementary information as disclosed in Note 20 to the financial statements is presented for the purposes of filing with the BIR and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

ROXAS CRUZ TAGLE AND CO.

Christian S. Felismino

Christian Francis S. Felismino
Partner
CPA Certificate No. 0111361
Tax Identification No. 237-332-255
SEC Accreditation No. 111361-SEC, Group A, issued on February 4, 2020, effective until February 3, 2023
BIR Accreditation No. 08-001682-016-2019, issued on November 5, 2019, effective until November 4, 2022
PTR No. 8531375, issued on January 5, 2021, Makati City

February 14, 2022
Makati City

GLOBALPORT 900, INC. AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE FIGURES AS AT DECEMBER 31, 2019)

	Note	2020	2019 (as restated - Note 19)
ASSETS			
Current Assets			
Cash	5	₱273,649	₱537,963
Prepayments	6	7,172,490	6,987,160
Other current assets	13	195,000,000	-
Total Current Assets		202,446,139	7,525,123
Noncurrent Assets			
Prepayments, net of current portion	6	19,636,627	25,703,267
Office equipment - net	7	10,536	23,160
Investment in stock	8	6,249,900	6,249,900
Advances to related parties	13	-	195,000,000
Total Noncurrent Assets		25,897,063	226,976,327
		₱228,343,202	₱234,501,450

	Note	2020	2019 (as restated - Note 19)
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	9	₱8,767,106	₱6,618,798
Advances from related parties	13	75,769,251	73,930,569
Total Liabilities		84,536,357	80,549,367
Equity			
Share Capital	10	2,266,250,900	2,266,250,900
Additional paid-in capital	10	268,309	268,309
Treasury shares	10	(595,111)	(595,111)
Deficit		(2,122,117,253)	(2,111,972,015)
Equity attributable to equity holder of the Parent		143,806,845	153,952,083
Non-controlling interest	2	-	-
Total Equity		143,806,845	153,952,083
		₱228,343,202	₱234,501,450

See Notes to the Consolidated Financial Statements.

GLOBALPORT 900, INC. AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE FIGURES FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018)

	Note	2020	2019 *(as restated - Note 19)*	2018
Revenues		₱-	₱-	₱-
Cost of service		-	-	-
Gross profit		-	-	-
General and administrative expenses	*11*	(10,145,363)	(14,116,855)	(119,242,883)
Interest income	*5*	125	451	2,809
Loss before income tax		(10,145,238)	(14,116,404)	(119,240,074)
Provision for income tax	*12*	-	-	-
Net loss for the year		(10,145,238)	(14,116,404)	(119,240,074)
Other comprehensive income		-	-	-
Total comprehensive loss		(₱10,145,238)	(₱14,116,404)	(₱119,240,074)
Total comprehensive loss attributable to:				
Equity holders of the Parent	*2*	(₱10,145,238)	(₱14,116,404)	(₱118,901,989)
Non-controlling interest	*2*	-	-	(338,085)
Basic/diluted loss per share		-	-	(0.006)

See Notes to the Consolidated Financial Statements.

GLOBALPORT 900, INC. AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE FIGURES FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018)

	Attributable to Equity Holders of the Parent						
	Share capital *(Note 10)*	Additional paid in capital *(Note 10)*	Treasury shares *(Note 10)*	Deficit	Total	Non-controlling interest	Total Equity
Balances at December 31, 2017	₱2,156,250,900	₱268,309	(₱595,111)	(₱2,056,484,213)	₱99,439,885	₱5,173,889	₱104,613,774
Net loss for the year	-	-	-	(118,901,989)	(118,901,989)	(338,085)	(119,240,074)
Balances at December 31, 2018, *as previously presented*	2,156,250,900	268,309	(595,111)	(2,175,386,202)	(19,462,104)	4,835,804	(14,626,300)
Conversion of advances into capital stock	110,000,000	-	-	-	110,000,000	-	110,000,000
Net loss for the year	-	-	-	(14,116,404)	(14,116,404)	-	(14,116,404)
Derecognition of subsidiary (Note 2)	-	-	-	72,725,670	72,725,670	-	72,725,670
Prior period adjustment - derecognition of non-controlling interest (Note 19)	-	-	-	4,835,804	4,835,804	(4,835,804)	-
Prior period adjustment (Note 19)	-	-	-	(30,883)	(30,883)	-	(30,883)
Balances at December 31, 2019, *as restated*	2,266,250,900	268,309	(595,111)	(2,111,972,015)	153,952,083	-	153,952,083
Net loss for the year	-	-	-	(10,145,238)	(10,145,238)	-	(10,145,238)
Balances at December 31, 2020	**₱2,266,250,900**	**₱268,309**	**(₱595,111)**	**(₱2,122,117,253)**	**₱143,806,845**	**₱-**	**₱143,806,845**

See Notes to the Consolidated Financial Statements.

GLOBALPORT 900, INC. AND SUBSIDIARY

(Formerly MIC Holdings, Inc.)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

(WITH COMPARATIVE FIGURES FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018)

	Note	2020	2019 (as restated - Note 19)	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before income tax		(₱10,145,238)	(₱14,116,404)	(₱119,240,074)
Adjustments for:				
Advertising and promotion	6	6,066,636	6,066,631	6,066,631
Adjustment in Deficit	19	(30,883)	-	-
Depreciation expense	7	12,624	12,634	2,105
Interest income	5	(125)	(451)	(2,809
Impairment loss		-	942,371	-
Operating loss before working capital changes		(4,096,986)	(7,095,219)	(113,174,147)
Decrease (increase) in:				
Other current assets		(36,006)	(265,243)	-
Input tax		(149,320)	-	-
Increase (decrease) in:				
Trade and other payables		2,179,191	16,946,933	(2,113,853)
Cash provided by (used in) operations		(2,103,121)	9,586,471	(115,288,000)
Interest received	5	125	451	2,809
Net cash flows provided by (used in) operating activities		(2,102,996)	9,586,922	(115,285,191)
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to property and equipment		-	-	(37,899)
Acquisition of share of stock		-	(6,249,900)	-
Advances made to related parties		(177,000)	(4,081,744)	(6,906,866)
Net cash flows used in investing activities		(177,000)	(10,331,644)	(6,944,765)
CASH FLOW FROM FINANCING ACTIVITY				
Receipts of advances from related parties		2,015,682	-	122,263,197
Net cash flow provided by financing activity		2,015,682	-	122,263,197
NET INCREASE (DECREASE) IN CASH		(264,314)	(744,722)	33,241
CASH AT BEGINNING OF YEAR	5	537,963	1,282,685	1,249,444
CASH AT END OF YEAR		₱273,649	₱537,963	₱1,282,685

See Notes to the Consolidated Financial Statements.

GLOBALPORT 900, INC. AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. Corporate Information

General

Globalport900, Inc. *(Formerly MIC Holdings, Inc.)* ("the Parent Company") was incorporated and registered with the Securities and Exchange Commission (SEC) on May 1, 1933. The Parent Company's shares are publicly listed with the Philippine Stock Exchange (PSE).

The Parent Company was originally incorporated as Metropolitan Insurance Company to engage in the insurance business and was listed in the Philippine Stock Exchange on June 9, 1948. On July 7, 1999, the SEC approved the Parent Company's change in its corporate name to MIC Holdings Inc. (MIC Holdings) and the change in primary purpose from insurance to that of a holding company. On August 4, 2011, Sultan 900 Capital, Inc. ("the Ultimate Parent Group") acquired 516,217 shares representing 95.22% of the total issued and outstanding capital stock of the Parent Company. On December 7, 2011, the Securities and Exchange Commission approved the change of its corporate name to Globalport 900, Inc. and the change in primary purpose of a holding company engaged in the ports and logistics industry.

The Parent Company's primary purpose, as amended, is to own, invest, manage, operate, maintain and develop port facilities, including other maritime activities supportive of port operations and shipping, and to establish or acquire subsidiaries and affiliates within or outside the Philippines for the same purposes herein set forth including those incidental thereto.

Sultan 900 Capital, Inc., ("the Ultimate Parent Group"), owns about 90% of the Parent Company while the remaining shares are held by the public.

As at December 31, 2020, the Parent Company's market capitalization registered in the Philippine Stock Exchange is ₱15,739,160,620.

The registered office address of the Parent Company is at Unit 2701 One Corporate Centre, Julia Vargas Ave., cor. Meralco Ave., Ortigas Center, Pasig City.

The consolidated financial statements were approved and authorized for issue in accordance with a resolution by the Board of Directors (BOD) on February 14, 2022.

Subsidiary

The Parent Company has 100% equity interest in Harbour Centre Port Holdings, Inc. (HCPHI), a domestic holding company which engaged in the operations and management of ports and port related businesses.

The registered business address of HCPHI is at Unit 2701 One Corporate Centre, Julia Vargas Ave., Pasig City.

2. Basis for the Preparation and Consolidation

Statement of Compliance
The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS are based on International Financial Reporting Standards (PFRS) issued by the International Accounting Standards Board (IASB). PFRS consist of PFRS, Philippine Accounting Standards (PAS), and Philippine Interpretations issued by the Financial Reporting Standards Council (FRSC).

Basis of Measurement
The separate financial statements are prepared on a going concern basis under the historical cost convention, except where a Financial Reporting Standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these separate financial statements.

Functional and Presentation Currency
The financial statements are presented in Philippine peso, which is the functional currency of the Company. All values are rounded off to the nearest peso, except when otherwise indicated.

Basis of Consolidation
The Group's consolidated financial statements comprise the separate financial statements of the Parent and its subsidiaries as of December 31, 2020 and 2019.

Control is achieved when the Group is exposed, or has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit and loss and each component of Other Comprehensive Income (OCI) are attributable to the equity holders of the Parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The reporting dates of the Parent and the subsidiary are identical and the latter's accounting policies conform to those used by the Parent like transactions and events in similar circumstances.

Non-controlling interests represent the portion of comprehensive loss and net assets not held by the Parent and are presented separately in the consolidated statement of comprehensive loss and within equity in the consolidated statements of financial position, separately from equity attributable to equity holders of the Parent.

The consolidated financial statements include the accounts of the Parent and its subsidiary:

Name of Subsidiary	Place of Incorporation	Principal Activities	Ownership Interest
Harbour Centre Port Holdings Inc. (HCPHI)	Quezon City	Holding Group	100%

During 2019, Platinum Dredging Inc. (PDI) was declared insolvent and dissolved through the liquidation order issued by the court and was eventually derecognized by the Parent Company.

HCPHI is considered a subsidiary because the Parent has a dominant voting interest and it would take a number of vote holders to outvote the Parent, therefore it has control over the Subsidiary.

Harbour Centre Port Holdings Inc. (HCPHI)
HCPHI is a stock corporation incorporate in the Philippines and registered with the Securities and Exchange Commission (SEC) on September 12, 2007, primarily to purchase, subscribe for or otherwise, own, hold, use, sell, assign, transfer, mortgage, pledge, exchange or dispose or real and/or personal properties of every kind and description, including shares of stock, whether listed in the stock exchange or not, voting trust certificates, certificates of participation, share warrants, option warrants and other securities and to pay therefore, in whole or in part, cash, property, or stocks, bonds or securities issued by them or another corporation.

The separate financial statements of HCPHI for the year ended December 31, 2020 and 2019 was audited by another independent auditors (other than BDO Roxas Cruz Tagle and Co.) whose report dated June 25, 2021 and expressed an unqualified opinion on those financial statements.

Material Non-controlling Interest
Financial information of subsidiary that have material non-controlling interests is provided below:

Proportion of Equity Interest Held by Non-Controlling Interests

Company	Place of Incorporation	2020	2019 *(As restated)*
Harbour Centre Port Holdings Inc. (HCPHI)	Quezon City	100%	100%

Accumulated Losses for Material Non-Controlling Interests

	2020	2019
Harbour Centre Port Holdings Inc. (HCPHI)	(₱58,109,164)	(₱57,755,237)

Net Loss Attributable to Material Non-controlling Interests

	2020	2019 *(As restated)*	2018
Harbour Centre Port Holdings Inc. (HCPHI)	₱-	₱-	(₱338,085)

The summarized financial information of HCPHI are provided in the succeeding section. This information is based on amounts before intercompany eliminations and after fair value adjustments.

Summarized Statements of Financial Position

	2020	2019
Cash	₱150,125	₱258,956
Receivable from related party	-	195,000,000
Investment stocks	6,249,000	6,249,000
Prepayments and other current assets	196,058,378	1,022,371
Total liabilities	70,986,638	70,674,653

Summarized Statements of Comprehensive Loss

	2020	2019	2018
Revenue	₱-	₱-	₱-
Cost of service	-	-	-
Gross profit	-	-	-
General and administrative expense	(353,927)	(1,181,560)	(9,537,097)
Loss before income tax	(353,927)	(1,181,560)	(9,537,097)
Provision for income tax	-	-	-
Net loss for the year	(353,927)	(1,181,560)	(9,537,097)
Other comprehensive income	-	-	-
Total comprehensive loss	(₱353,927)	(₱1,181,560)	(₱9,537,097)

Summarized Statements of Cash Flows

	2020	2019	2018
Operating	(₱468,333)	(₱1,290,843)	(₱9,477,097)
Investing	-	(6,249,900)	-
Financing	359,502	7,348,443	9,563,197
	(₱108,831)	(₱192,300)	₱86,100

Platinum Dredging Inc. (PDI)

PDI is a stock corporation incorporation in the Philippines and registered with the Securities and Exchange Commission (SEC) on August 15, 2007, primarily to engage in general construction and general building, such as dredging and reclamation works as general contractor for port harbour and road, highway pavement, railway, airport horizontal structure and bridges, dam reservoir and tunnelling, water supply, irrigation and flood control, building and industrial plant, sewerage and sewage treatment/disposal plant, water treatment plant and system, park, playground, recreation works and foundation work and other structure.

In 2019, PDI was declared insolvent and dissolved through the liquidation order issued by the court. This led to the derecognition of the Parent Company's investment in PDI. The result of derecognition amounted to ₱72,725,670:

	Amount
Total assets	-
Total liabilities	72,725,670
Net liabilities derecognized	(₱72,725,670)

Accordingly, the consolidated financial statements of the Group as at December 31, 2019 do not include PDI.

The financial statements of Platinum Dredging Inc. (PDI) for the year ended December 31, 2019 were audited by other independent auditors (other than BDO Roxas Cruz Tagle and Co.) whose report dated June 11, 2020 and expressed an unqualified opinion on those financial statements.

3. Significant Accounting Policies

Adoption of New and Amended PFRS

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new and amended PFRS which the Group adopted effective for annual periods beginning on or after January 1, 2020:

- Amendments to PAS 1, *Presentation of Financial Statements*, and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*. The amendments address the definition of material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. These amendments had no impact on the financial statements of the Group.

- Amendments to PFRS 3, *Business Combinations, Definition of Business*. The amendments to PFRS 3 clarifies that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The clarification stated that a business can exist without including all of the inputs and processes needed to create outputs. These amendments will apply on future business combinations of the Group.

- Conceptual Framework for Financial Reporting (Revised). The IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), a comprehensive set of concepts for financial reporting, in March 2018.

  It sets out:
  - the objective of financial reporting
  - the qualitative characteristics of useful financial information
  - a description of the reporting entity and its boundary
  - definitions of an asset, a liability, equity, income and expenses
  - criteria for including assets and liabilities in financial statements (recognition) and guidance on when to remove them (derecognition)
  - measurement bases and guidance on when to use them
  - concepts and guidance on presentation and disclosure

  The purpose of the Conceptual Framework is to assist the IASB to develop financial reporting standards (Standards) based on consistent concepts, resulting in financial information that is useful to investors, lenders and other creditors. It also assists preparers to develop consistent accounting policies for transactions or other events when no Standard applies, or a Standard allows a choice of accounting policies. The Conceptual Framework is not a Standard and does not override any Standard or any requirement in a Standard.

- Amendments to PFRS 7, *Financial Instruments: Disclosures* and PFRS 9, *Financial Instruments, Interest Rate Benchmark Reform*. The amendments to PFRS 9 and PAS 39 *Financial Instruments: Recognition and Measurement* and PAS 7 *Financial Instruments: Disclosures* include a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

The mandatory reliefs provided in the Standard are as follows:

- The assessment of whether a forecast transaction (or component thereof) is highly probable.
- Assessing when to reclassify the amount in the cash flow hedge reserve to profit and loss.
- The assessment of the economic relationship between the hedged item and the hedging instrument.
- For a benchmark component of interest rate risk that is affected by IBOR reform, the requirement that the risk component is separately identifiable need be met only at the inception of the hedging relationship.

  These amendments had no impact on the financial statements of the Group as it does not have any interest rate hedge relationships.

New and Amended PFRS Issued But Not Yet Effective

Relevant new and amended PFRS which are not yet effective for the year ended December 31, 2020 and have not been applied in preparing the financial statements are summarized below.

Effective for annual periods beginning on or after January 1, 2021:

- Annual Improvements to PFRS: 2018-2020 Cycle
  - PFRS 1, *First-time Adoption of PFRS - Subsidiary as a first-time adopter*. The amendment permits a subsidiary that applies paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to PFRSs.
  - PFRS 9, *Financial Instruments - Fees in the '10 percent' test for derecognition of financial liabilities.* The amendment clarifies which fees an entity includes when it applies the '10 percent' test in paragraph B3.3.6 of PFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

- Amendments to PFRS 3, *Business Combinations - Reference to the Conceptual Framework* - The amendments add an exception to the recognition principle of PFRS 3 to avoid the issue of potential "day 2" gains or losses arising from liabilities and contingent liabilities that would be within the scope of PAS 37, *Provisions, Contingent Liabilities and Contingent Assets or* IFRIC 21, *Levies*, if incurred separately. It also clarifies that contingent assets do not qualify recognition at the acquisition date. The amendments are effective for annual periods beginning on or after January 1, 2022.

- Amendments to PAS 37, *Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Costs of Fulfilling a Contract* - The amendments specify the costs a Group includes when assessing whether a contract will be loss-making and is therefore recognized as an onerous contract. The amendments apply a "directly related approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities.

- Amendments to PAS 16, *Property, Plant and Equipment: Proceeds before Intended Use* - The amendments prohibit the entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management. Instead, the entity recognizes such sales proceeds and any related costs in the profit or loss.

- Amendments to PAS 1, *Presentation of Financial Statements* - The amendments to PAS 1 specify the requirements for classifying current and noncurrent liabilities. The amendments will clarify that a right to defer must exist at the end of reporting period and the classification is unaffected by the likelihood that an entity will exercise its deferral right. The issuance of amendments was deferred until January 1, 2023 as a result of COVID-19 pandemic.

  Deferred effectivity -

- Amendments to PFRS 10, *Consolidated Financial Statements* and PAS 28, *Investments in Associates and Joint Ventures - Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* - The amendments address a current conflict between the two standards and clarify that a gain or loss should 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 new and amended PFRS is not expected to have any material effect on the financial statements of the Group.

Current versus Noncurrent Classification

The Group presents assets and liabilities in the consolidated statements of financial position based on current and noncurrent classification. An asset is current when it is: (a) expected to be realized or intended to be sold or consumed in the normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized within 12 months after the reporting period; or (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

A liability is current when it is: (a) expected to be settled in the normal operating cycle; (b) held primarily for trading; (c) due to be settled within 12 months after the reporting period; or (d) there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Group classifies all other assets and liabilities as noncurrent. Deferred tax assets and liabilities are classified as noncurrent.

Financial Liabilities

Date of Recognition. The Group 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 and loss (FVPL), includes transaction cost.

"Day 1" Difference. Where the transaction 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 Group 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 Group 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 Group determines the appropriate method of recognizing the "Day 1" difference.

Classification. The Group 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 fair value through other comprehensive income (FVOCI). Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost. The classification of a financial instrument largely depends on the Group's business model and its contractual cash flow characteristics.
Financial Assets and Liabilities at FVPL. Financial assets and liabilities at FVPL are either classified as held for trading or designated at FVPL. A financial instrument is classified as held for trading if it meets either of the following conditions:

- it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

This category includes equity instruments which the Group had not irrevocably elected to classify at FVOCI at initial recognition. This category includes debt instruments whose cash flows are not "solely for payment of principal and interest" assessed at initial recognition of the assets, or which are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

The Group may, at initial recognition, designate a financial asset or financial liability meeting the criteria to be classified at amortized cost or at FVOCI, as a financial asset or financial liability at FVPL, if doing so eliminates or significantly reduces accounting mismatch that would arise from measuring these assets or liabilities.

After initial recognition, financial assets at FVPL and held for trading financial liabilities are subsequently measured at fair value. Unrealized gains or losses arising from the fair valuation of financial assets at FVPL and held for trading financial liabilities are recognized in profit or loss.

For financial liabilities designated at FVPL under the fair value option, the amount of change in fair value that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch. Amounts presented in other comprehensive income are not subsequently transferred to profit or loss.

As at December 31, 2020 and 2019, the Group does not have financial assets and liabilities at FVPL.

Financial Assets at Amortized Cost. Financial assets 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, 2020 and 2019, the Group's cash in banks and advances to related parties are included under this category (see Notes 5 and 13).

Financial Assets at FVOCI. For debt instruments that meet the contractual cash flow characteristic and are not designated at FVPL under the fair value option, the financial assets shall be measured at FVOCI 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 selling the financial assets; 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.

For equity instruments, the Group may irrevocably designate the financial asset to be measured at FVOCI in case the above conditions are not met.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. After initial recognition, interest income (calculated using the effective interest rate method), foreign currency gains or losses and impairment losses of debt instruments measured at FVOCI are recognized directly in profit or loss. When the financial asset is derecognized, the cumulative gains or losses previously recognized in OCI are reclassified from equity to profit or loss as a reclassification adjustment.

Dividends from equity instruments held at FVOCI are recognized in profit or loss when the right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Foreign currency gains or losses and unrealized gains or losses from equity instruments are recognized in OCI and presented 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.

As at December 31, 2020 and 2019, the Group does not have financial assets and liabilities at FVOCI.

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 Group 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. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process.

As at December 31, 2020 and 2019, the Group's liabilities arising from its trade and other payables, excluding statutory liabilities and advances from related parties, are included under this category (see Notes 9 and 13).

Reclassification
The Group 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 a 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 FVPL category to financial assets at amortized cost, its fair value at the reclassification date becomes its new gross carrying amount.

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.

In the case of a financial asset that does not have a fixed maturity, the gain or loss shall be recognized in profit or loss when the financial asset is sold or disposed. If the financial asset is subsequently impaired, any previous 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 FVPL category to financial assets at FVOCI, its fair value at the reclassification date becomes its new gross carrying amount. Meanwhile, for a financial asset reclassified out of the financial assets at FVOCI category to financial assets at FVPL, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

Impairment of Financial Assets at Amortized Cost
The Group records an allowance for "expected credit loss" (ECL). ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The difference is then discounted at an approximation to the asset's original effective interest rate.

For trade receivables, the Group has applied the simplified approach and has calculated ECLs based on the lifetime expected credit losses. The Group has established 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.

For debt instruments measured at amortized cost, the ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

Derecognition of Financial Assets and Liabilities

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

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

When the Group has transferred its right to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Group's continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Group could be required to repay.

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

A modification is considered substantial if the present value of the cash flows under the new terms, including net fees paid or received and discounted using the original effective interest rate, is different by at least 10% from the discounted present value of remaining cash flows of the original liability.

The fair value of the modified financial liability is determined based on its expected cash flows, discounted using the interest rate at which the Group could raise debt with similar terms and conditions in the market. The difference between the carrying value of the original liability and fair value of the new liability is recognized in the statements of comprehensive income.

On the other hand, if the difference does not meet the 10% threshold, the original debt is not extinguished but merely modified. In such case, the carrying amount is adjusted by the costs or fees paid or received in the restructuring.

Offsetting of Financial Assets and Liabilities
Financial assets and financial liabilities are offset and the net amount 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 intention to settle on a net basis, or to realize the asset and settle the liability 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 Group; 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 Group 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.

Cash
Cash in banks earn interest at the respective bank deposit rates.

Prepayments and Other Current Assets
Prepayments. Prepayments are expenses paid in advance and recorded as asset before these are utilized. Prepaid expenses are apportioned over the period covered by the payment and charged to appropriate expense accounts in profit or loss when incurred. Prepaid expenses that are expected to be realized for no more than 12 months after the financial reporting year are classified as current assets. Otherwise, these are classified as noncurrent assets.

Office Equipment
Office equipment are stated at cost less accumulated depreciation and any accumulated impairment in value. Such cost includes the cost of replacing part of the office equipment at the time the cost is incurred, if the recognition criteria are met, and excludes the costs of day-to-day servicing.

The initial cost of office equipment comprises its construction cost or purchase price, including import duties, taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Expenditures incurred after the asset has been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized as expense in the period the costs are incurred. Major repairs are capitalized as part of office equipment only when it is probable that future economic benefits associated with the items will flow to the Group and the cost of the items can be measured reliably.

Depreciation is computed using the straight-line method of depreciation based on the estimated useful lives of the office equipment which is three (3) to five (5) years.

The remaining useful lives, residual values and depreciation method are reviewed and adjusted periodically, if appropriate, to ensure that such periods and method of depreciation are consistent with the expected pattern of economic benefits from the items of office equipment.

The carrying amounts of office equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Fully depreciated assets are retained in the accounts until they are no longer in use.

An item of office equipment is derecognized when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising from the retirement and disposal of an item of office equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statements of comprehensive income in the period of retirement and disposal.

Investment in Stock
Investment in shares of stock is initially measured at transaction price (including transaction costs). After initial recognition, investment in shares of stock shall be carried at cost less impairment, unless the investment in shares of stock are traded in an active market, which shall be measured at the lower of cost or fair value, with changes in fair value recognized in profit or loss. For shares traded in an active market, the best evidence of fair value is the quoted price for those shares in that active market.

Investment in shares of stocks is derecognized upon its disposal. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss.

At the end of each reporting period, an entity shall assess whether there is objective evidence of impairment of any financial assets that are measured at cost or amortized cost. If there is objective evidence of impairment, the entity shall recognize an impairment loss in profit or loss immediately.

Impairment of Non-financial Assets
The carrying amounts of non-financial assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount of the asset is the greater of fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less costs of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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 the statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of comprehensive income. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Trade and Other Payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These are classified as current liabilities if payment is due within one year or less (or within the normal operating cycle of the business if longer); otherwise, these are presented as noncurrent liabilities.

Accrued expenses are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with supplier, including amounts due to employees. It is necessary to estimate the amount or timing of accruals, however, the uncertainty is generally much less than for provision.

Government liabilities include withholding income taxes which represent taxes retained by the Group for an item of income required to be remitted to the BIR the following month. The obligation of the Group to deduct and withhold the taxes arises at the time an income payment is paid or payable, or the income payment is accrued or recorded as an expense or asset, whichever comes first. The term "payable" refers to the date the obligation becomes due, demandable or legally enforceable.

Provisions

Provisions are recognized when: (a) the Group has a present obligation (legal or constructive) as a result of past events; (b) it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate of the amount of the obligation can be made. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognized as a separate asset only when it is virtually certain that reimbursement will be received. The amount recognized for the reimbursement shall not exceed the amount of the provision. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

Share Capital and Additional Paid-in Capital

Share Capital

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

Additional Paid-in Capital

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

Deficit
Deficit represents the accumulated net income or losses, net of any dividend distributions and other capital adjustments.

Treasury Shares
Own equity instruments which are reacquired are carried at cost and deducted from equity. No gain or loss is recognized on the purchase, sale, reissuance or cancellation of the Group's own equity instruments. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital to the extent of the specific or average additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Revenue Recognition
Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as the Group perform its obligations; (b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

The Group is in the business of investing, managing, operating, maintaining and developing port facilities, including other maritime activities supportive of port operations and shipping, and to establish or acquire subsidiaries and affiliates within or outside the Philippines for the same purposes. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has no revenue arrangements and is not engaged to revenue generating activities for the years 2020 and 2019.

The following specific recognition criteria must also be met before revenue is recognized.

Dividend. Revenue is recognized when the Group's right to receive the payment is established.

Interest. Revenue is recognized as the interest accrues, taking into account the effective yield on the asset. Interest income of the Group comes from bank deposits and is recorded when earned and presented net of applicable tax

Other income. Revenue is recognized when there is an incidental economic benefit, other than from the usual business operations that will flow to the Group and it can be measured reliably. Other income includes foreign exchange gains and miscellaneous income.

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

Cost of Service
Cost of service is incurred in the normal course of business and is recognized when incurred. These comprise mainly of inventory usage, direct labour and factory overhead which are incurred in the period goods are sold.

General and administrative expenses
General and administrative expenses are incurred in the direction and general administration of day-to-day operation of the Group. These are generally recognized when the services are rendered, or the expenses are incurred.

Expenses are classified as to function, whether distribution cost, administrative expense, or other expenses and losses.

Foreign Exchange Transactions
Transactions in foreign currencies are recorded in Philippine peso based on the exchange rates prevailing at the date in which the transaction took place. Foreign currency denominated monetary assets and liabilities of the Group are translated using the prevailing exchange rate as of financial reporting date. Gains or losses arising from these transactions and translation are credited or charged to profit or loss.

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 and significant influence. Related parties may be individuals or corporate entities.

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

Current tax relating to items recognized directly in equity is recognized in equity and not in the statements of comprehensive income. The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred Tax. Deferred tax is recognized using the liability method in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax liabilities are recognized using the liability method for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or 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; and
- with respect to taxable temporary differences associated with investments in shares of stock of subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits - Minimum Corporate Income Tax (MCIT) and unused tax losses - Net Operating Loss Carry Over (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of MCIT and NOLCO can be utilized, except:

- where the deferred tax asset relating to the deductible temporary difference 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; and
- with respect to deductible temporary differences associated with investments in shares of stock of subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax and deferred tax are recognized in the statements of comprehensive income, except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

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

Value-added Tax (VAT). Revenues, expenses and assets are 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 tax recoverable from, or payable to, the taxation authority is included as part of "Prepayments" or "Accounts payable" accounts in the statements of financial position.

Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes to the 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 in the notes to the financial statements when an inflow of economic benefits is probable.

Events after the Reporting Date

Post year-end events that provide additional information about the Group's financial position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

4. Use of Judgments, Estimates and Assumptions

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

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions are recognized in the period in which the judgments and estimates are revised and in any future period affected.

Judgments

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

Determination of control over the investee. The determination of control over the investee, other than the rebuttable presumption of ownership over fifty percent (50%), requires significant judgment. In making judgment, the Group evaluates whether the investor controls an investee and identified the following factors:

a. power over the investee;
b. exposure, or rights, to variable returns from its involvement with the investee;
c. the ability to use its power over the investee to affect the amount of the investor's returns.

In 2019, Platinum Dredging Inc., (PDI) incurred capital deficiency due to accumulated losses from the past years. The management of PDI decided to cease its operations starting April 2017 and filed for voluntary liquidation. Consequently, the court declared PDI as insolvent through liquidation order received by the Company on September 27, 2019. Thus, despite the Company's 100% ownership of PDI it has no control over the subsidiary.

As of December 31, 2020 and 2019, the Group's investment to Globalcity Mandaue Corporation has a carrying value of ₱6,249,900 as disclosed in Note 8.

Evaluating Deferred Tax. In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretation of tax laws and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Going Concern Assumption. The Group is not aware of any significant uncertainties that may cast doubts upon the Group's ability to continue as going concern.

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

Estimated Useful Lives of Office Equipment. The Group estimates the useful lives of office equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of office equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

In addition, estimation of the useful lives of office equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future financial performance could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of office equipment would increase the recorded costs and expenses and decrease noncurrent assets.

As at December 31, 2020 and 2019, the net carrying amount of office equipment amounted to ₱10,536 and ₱23,160 as disclosed in Note 7. An assessment is made at each reporting date whether there is an indication that the asset may be impaired.

Impairment of Non-financial Assets. PFRS requires that an impairment review be performed on non-financial assets when events or changes in circumstances indicate that the carrying amount may not be recoverable. Determining the recoverable amounts of these assets requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. While it is believed that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable amounts and any resulting impairment loss could have a material adverse impact on the financial performance.

Management has made significant estimates on the recoverability of the Group's office equipment and investment in subsidiaries, and concluded that as of December 31, 2020 and 2019, no indications of impairment are present that would necessitate the recognition of impairment loss of the Group's assets. The carrying values of office equipment and investment in subsidiaries are disclosed in Notes 7 and 8.

Realizability of Deferred Tax Assets. The Group 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. The Group's assessment on the recognition of deferred tax assets on deductible temporary differences and carryforward benefits of MCIT and NOLCO is based on the projected taxable income in the following periods.

Deferred tax assets amounted to nil as at December 31, 2020 and 2019 (Note 12).

5. Cash

Cash in banks pertain to savings account with local banks which amounted to ₱273,649 and ₱537,963 as of December 31, 2020 and 2019, respectively.

Cash in banks earn interest at the respective bank deposit rates. Interest income earned for the year ended December 31, 2020 and 2019 amounted to ₱125 and ₱451, respectively.

There was no restriction imposed upon cash in bank and on hand by either management, stockholders or outside parties.

The Group's exposure to credit and foreign currency risks related to cash in banks is disclosed in Note 14 to the consolidated financial statements.

6. Prepayments

This account consists of:

	Note	2020	2019
Prepaid marketing fees	13	**₱6,066,636**	₱6,066,631
Input VAT		**1,100,854**	915,529
Advances to related parties		**5,000**	5,000
		₱7,172,490	₱6,987,160

The following is the current and non-current portion of prepaid marketing fees as at December 31:

	Note	2020	2019
Current	13	**₱6,066,636**	₱6,066,631
Non-current	13	**19,636,627**	25,703,267
		₱25,703,263	₱31,769,898

Prepaid marketing fees pertains to the offsetting agreement of the Company with its Ultimate Parent, Sultan 900, Capital, Inc. to offset the advances to related party with the marketing expenses of the Company (Note 11).

Input tax pertains to value-added tax credits on purchases of goods and/or services incurred by the Group amounting to ₱1,100,854 and ₱915,529 as of December 31, 2020 and 2019, respectively, can be applied against output tax. In 2019, the Group reviewed the recoverable amounts of the unused input taxes of HCPHI, the subsidiary. Input tax amounting to ₱942,371 was written off as it is unlikely to be utilized in the future. Other than that, the management believes that the remaining amount is fully realizable in the future.

7. Office Equipment - Net

The office equipment has the following movement:

	Note	2020	2019
Cost			
At January 1		**₱37,899**	₱37,899
Additions		**-**	-
At December 31		**37,899**	37,899
Accumulated Depreciation			
At January 1		**14,739**	2,105
Depreciation	11	**12,624**	12,634
At December 31		**27,363**	14,739
Carrying amounts		**₱10,536**	₱23,160

The Group has no idle property and equipment and there were no items pledge as security to obtain loan or any form of liability.

Management has assessed at December 31, 2020 that there is no impairment and has not recognized impairment loss related to the office equipment in its books during the year.

As of December 31, 2020 and 2019, the Group has no outstanding contractual commitments to acquire certain property and equipment.

8. Investment In Stock

This represents the five percent (5%) ownership of HCPHI in Globalcity Mandaue Corporation amounting to ₱6,249,900.

No dividends received on this investment during the year 2020.

9. Trade and Other Payables

This account consists of:

	2020	2019 *(As restated)*
Outside parties	**₱238,302**	₱52,694
Accrued expenses	**8,521,304**	6,547,928
Payable to government agencies	**7,500**	18,176
	₱8,767,106	₱6,618,798

Payables to outside parties includes obligations to the suppliers which are related to rendered to the Group such as transfer agent fees and association dues.

Accrued expenses generally include professional fees, penalties and interest incurred for the current period.

10. Share Capital

The subscribed and paid-up capital of the Group as of December 31, 2020 and 2019 are as follows:

	2020	2019
Share capital	**₱2,266,250,900**	₱2,266,250,900
Additional paid-in-capital	**268,309**	268,309
	₱2,266,519,209	₱2,266,519,209

Components of share capital as of December 31, 2020 and 2019 are as follows:

	2020		2019	
	Shares	Amount	Shares	Amount
Authorized share capital/ Ordinary shares at ₱1 par	3,000,000,000	₱3,000,000,000	3,000,000,000	₱3,000,000,000
Subscribed & paid-up				
At the beginning of year	2,325,000,000	2,325,000,000	2,325,000,000	2,325,000,000
Add: subscription during the year	10,000,000	10,000,000	10,000,000	10,000,000
Total subscription	2,335,000,000	2,335,000,000	2,335,000,000	2,335,000,000
Less: subscription receivable	(68,749,100)	(68,749,100)	(68,749,100)	(68,749,100)
Total subscribed and paid up at the end of the year	2,266,250,900	₱2,266,250,900	2,266,250,900	₱2,266,250,900

	2020		2019	
	Shares	Amount	Shares	Amount
At the beginning of year	68,749,100	₱68,749,100	168,749,100	₱168,749,100
Add: subscription during the year	-	-	10,000,000	10,000,000
Issuance of shares through conversion of advances	-	-	(110,000,000)	(110,000,000)
	68,749,100	₱68,749,100	68,749,100	₱68,749,100

The Parent Company's advances from Sultan 900 Capital, Inc. (the "Ultimate Parent Group") outstanding in 2018 was applied to its unpaid subscription amounting to ₱110,000,000 during the year. It was resolved and approved during the special meeting of the Board of Directors held on December 2, 2019 as disclosed in Note 13.

On November 22, 2019, the Ultimate Parent and the Company entered into an agreement, as amended in July 2020 for the subscription of ₱10,000,000 common shares with par value of ₱10,000,000 from the unissued portion of the authorized capital stock of the Company, for a total subscription price of ₱100,000,000. Upon payment, the excess over par in the amount of ₱90,000,000 shall be treated as additional paid-in capital.

Book Value Per Share
Book value per share amounted to ₱0.036 in 2020 and 2019.

Earnings Per Share
The calculation of earnings per share has been based on the following after tax loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

Treasury Shares
This consists of 201,500 common shares, stated at acquisition cost of ₱595,111 as of December 31, 2020 and 2019.

11. General and Administrative Expenses

This account consists of:

	Notes	2020	2019	2018
Advertising and promotion	6	₱6,066,636	₱6,066,631	₱6,066,631
Professional fees		2,513,518	3,024,117	7,346,020
Penalties and interest		1,060,000	1,074,950	1,209,650
Accreditation fees		95,000	-	-
Taxes and licenses		79,694	204,015	31,839
Software and Licenses Expense		27,111	-	-
Depreciation expense	7	12,624	12,634	2,105
Representation expense		6,000	-	2,942,474
Miscellaneous		1,265	-	-
Bank Charges		116	100	-
Project development expense	16	-	2,444,978	98,300,000
Impairment loss		-	942,371	-
Repairs and maintenance		-	280,000	-
Office supplies		-	30,603	17,876
Transportation and travel		-	3,840	4,125
Membership and association dues		-	1,120	280,000
Other expenses		283,399	31,496	3,042,163
		₱10,145,363	₱14,116,855	₱119,242,883

Project development expense pertains to the costs incurred in acquiring services of local management and consulting firm to assist and provide necessary financial advice, project master plan and engineering design in connection with the Group's plan to bid and/or acquire several domestic projects such as airport terminal project and thermal power plant management. (Note 16)

Penalties pertains to accrual of fees and charges of government regulatory agencies such as Philippine Stock Exchange (PSE) and Philippine Securities of Exchange Commission (SEC) on noncompliance in filing of regulatory reports.

Professional fees include legal fees, consultancy fees, agent and audit fees incurred by the Group for the professional services acquired.

Taxes and licenses refer to expenses for documentary stamp tax, business permit, and other local taxes and fees.

12. Income Taxes

There is no provision for current income tax during 2020 and 2019 since the Group has no taxable income.

The Group is not subject to MCIT also since it does not have any gross profit from which the MCIT can be applied.

The Group has Net Operating Loss Carry-Over (NOLCO), for which deferred income tax assets can be recognized with full offsetting. This deferred tax asset can be used to offset against income tax due.

Year Incurred	Amount	Applied current year	Expired	Unapplied	Balance	Expiry Date
2017	P7,531,797	P-	(P7,531,797)	P-	P-	2020
2018	17,279,087	-	-	17,279,087	17,279,087	2021
2019	7,455,761	-	-	7,455,761	24,734,848	2022
2020	9,085,363	-	-	9,085,363	33,820,211	2025

The details of the impact of unrecognized deferred income tax assets arising from NOLCO for the years 2020 and 2019 are as follows:

	2020	2019	2018
Loss before income tax	**(P10,145,238)**	(P14,116,404)	(P119,240,074)
Tax at applicable regular corporate income tax (RCIT) of 30%	**(3,043,571)**	(4,234,921)	(35,772,022)
Add (deduct) tax effect of:			
Interest income subject to final tax	**(38)**	(135)	(1,054)
Penalties and surcharges	**318,000**	336,600	319,500
Bidding cost	-	733,493	29,490,000
Professional fees	-	928,235	-
Representation expense	-	-	882,742
Effect of unrecognized NOLCO	**2,725,609**	2,236,728	5,080,834
	P-	P-	P-

As of December 31, 2020 and 2019, the Group has unrecognized NOLCO that amounted to P2,725,609 and P2,236,728, respectively, in the consolidated financial statements as the Management determined that the Group will not utilize the deferred income tax assets to future taxable profits for the next five (5) years.

13. Related Party Transactions

Related party relationships

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions.

Such relationship also exists between and/or among the reporting entities, which are under common control or common significant influence with the reporting enterprise, or between, and/or among the reporting entities and its key management personnel, directors, or its shareholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The related parties in these separate financial statements refer to its parent company, an individual stockholder and subsidiaries:

Related parties	Nature of Relationship	Place of Incorporation
Sultan 900 Capital, Inc.	Ultimate Parent Company	Manila
Shareholders	-	-

Related party transactions and balances

There are transactions and arrangements between the Group and members of the group and the effects of these on the basis determined between the parties are reflected in these consolidated financial statements.

The Group's balances with related parties as of December 31, 2020 and 2019 are as follows:

			Outstanding Balance		
Related Party Relationship	Account	Movements	2020	2019	Terms and Conditions
a.) Sultan 900 Capital, Inc.	Prepayments *(Note 6)*	Beginning	₱31,769,899	₱37,836,530	Unsecured, non-interest bearing, payable on demand and to be settled through offsetting
		Net Movement	(6,066,636)	(6,066,631)	
			₱25,703,263	₱31,769,899	
b.) Sultan 900 Capital, Inc.	Advances to related parties	Beginning	₱195,000,000	₱232,836,530	Unsecured, non-interest bearing, payable on demand and to be settled through offsetting
		Net Movement	(195,000,000)	(37,836,530)	
			₱-	₱195,000,000	
b.) Sultan 900 Capital, Inc.	Other current assets	Beginning	₱-	₱-	Unsecured, non-interest bearing, payable on demand and to be settled through offsetting
		Net Movement	195,000,000	-	
			₱195,000,000	₱-	
c.) Sultan 900 Capital, Inc.	Advances from related parties	Beginning	₱-	₱110,000,000	Unsecured, non-interest bearing, payable on demand and to be settled through offsetting
		Net Movement	1,064,180	(110,000,000)	
			₱1,064,180	-	

(Forward)

Related Party Relationship	Account	Movements	Outstanding Balance 2020	2019	Terms and Conditions
d.) Shareholders	Advances from related parties	Beginning	₱73,930,569	₱78,012,313	Unsecured, non-interest bearing, payable on demand and to be settled through offsetting
		Net Movement	774,502	(4,081,744)	
			₱74,705,071	₱73,930,569	

a) The Group has entered into an advertising and marketing agreement on January 1, 2019 with its Ultimate Parent Group, Sultan 900 Capital, Inc. which provides that the latter has an existing Philippine Basketball Association (PBA) Franchise and has agreed to carry the franchise under the name of "GLOBALPORT BATANG PIER" for advertising and marketing purposes.

Offsetting
The Group made cash advances to its parent for investment purposes in 2012. As a way of collecting, the Group and the Ultimate Parent Group, agreed to offset the recharges of marketing expenses by the latter to the Group. (see Note 11).

The movement of the Group's prepayments as of December 31, 2020 and 2019 are as follows:

	2020	2019
Balance, beginning of year	₱31,769,899	₱-
Advances reclassified as prepayment	-	31,769,899
Offsetting, marketing expense	(6,066,636)	-
Balance, end of the year	25,703,263	31,769,899
Less: current portion	(6,066,636)	(6,066,631)
Noncurrent portion	₱19,636,627	₱25,703,268

b) Receivable from Related Party
The ₱195,000,000 represents the receivable of HCPHI from the Ultimate Parent Group as concurred in the Intercompany Agreement to carry on its business development activities and investment diversification strategy. This receivable is non-interest bearing and will be repayable within five (5) years from the date of agreement and sultan 900 has the option to repay all or any portion of the amount prior to its term.

In 2019, it was classified as other non-current assets which remains collectible from Sultan 900 at the end of the accounting period and is subject for liquidation. During 2020, there has been progress on the account which makes it collectible within 12 months after the reporting period.

The movement of the Group's advances to Sultan as of December 31, 2020 and 2019 are as follows:

	2020	2019
Balance, beginning of year	₱195,000,000	₱232,836,530
Offsetting, marketing expense	-	(6,066,631)
Reclassified (to) from prepayment	-	(31,769,899)
Balance, end of the year	195,000,000	195,000,000
Less: current portion	(195,000,000)	-
Noncurrent portion	-	₱195,000,000

c) Advances from Ultimate Parent Group
During the special meeting of the Board of Directors held on December 2, 2019, it was resolved that the offer of Sultan 900 Capital, Inc. to apply the latter's advances amounting to ₱110,000,000 to its unpaid subscriptions was considered and approved. (Note 10)

The amount was used to finance the Group's initiative to participate in bid activities and potential acquisition of domestic ports. The Group incurred project development expenses of nil and ₱2,444,978 for 2020 and 2019, respectively as disclosed in Note 11.

Further, advances during 2020 amounting to ₱1,064,180, represent the acquisition of computer application paid by Sultan 900 Capital, Inc. on behalf of the Group used in the ordinary course of its business. The amounts outstanding are non-interest bearing, unsecured, payable in demand, as they have no specific maturity and will be settled in cash.

The movement of the Group's advances from Sultan as of December 31, 2020 and 2019 are as follows:

	2020	2019
Balance, beginning of year	₱-	₱110,000,000
Payment of advances	-	(110,000,000)
Receipt of advances	1,064,180	-
	₱1,064,180	₱-

d) Advances represent Group expenses paid by an individual stockholder on behalf of the Group, including professional fees, penalties, membership and association dues and other general and administrative expenses.

The movements in the advances from stockholder as of December 31, 2020 and 2019 are as follows:

	2020	2019
Balance, beginning of year	₱73,930,569	₱78,012,313
Advances from stockholder during the year	774,502	-
Payments made during the year	-	(4,081,744)
	₱74,705,071	₱73,930,569

The amounts outstanding are non-interest bearing, unsecured, payable in demand, as they have no specific maturity and will be settled in cash.

No provisions have been made for any impaired amount owed by the Group.

Trading Transactions
There were no trading transactions occurred between related parties for the year ended December 31, 2020 and 2019.

Key management compensation
The Group considers as key management personnel directors and all employees holding managerial position up to the president having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. There was no compensation paid to key management personnel in 2020 and 2019.

No member of the Board of Directors has received per diem or any compensation for any service provided as director for the year. The Group has no other arrangements in material terms, including consulting contracts, pursuant to which any director was compensated, or is to be compensated directly or indirectly for the year, for any service provided as director.

14. Financial Instruments Risk Management Objectives and Policies

The Group's principal financial liabilities comprise trade and other payables and loans payable. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets include cash in banks and advances to related parties.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

The Group's financial instruments consist of:

	Note	2020	2019
Financial Assets:			
Debt instrument at amortized cost			
Cash	5	**₱273,649**	₱537,963
Advances to related parties	*13*	**195,000,000**	195,000,000
		195,273,649	195,537,963
Financial Liabilities:			
Measured at cost/amortized cost			
Trade and other payable*	9	**238,302**	52,694
Advances from related parties	*13*	**75,769,251**	73,930,569
		76,007,553	73,983,263
		₱119,266,096	₱121,554,700

**Accounts payable exclude due to government agencies.*

Credit Risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is managed by the Group subject to the established policy, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

With respect to credit risk arising from the financial assets of the Group, which consists of cash in banks, the Group's exposure arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Below are the credit qualities of the Group's financial assets as of December 31, 2020 and 2019:

2020	**Neither past due nor impaired**	**Not past due but impaired**	**Past due but not impaired**	**Past due and impaired**	**Total**
Cash	**₱273,649**	**₱-**	**₱-**	**₱-**	**₱273,649**
Advances to related party	**195,000,000**	**-**	**-**	**-**	**195,000,000**
	₱195,273,649	**₱-**	**₱-**	**₱-**	**₱195,273,649**

2019	Neither past due nor impaired	Not past due but impaired	Past due but not impaired	Past due and impaired	Total
Cash	₱537,963	₱-	₱-	₱-	₱537,963
Advances to related party	195,000,000	-	-	-	195,000,000
	₱195,537,963	₱-	₱-	₱-	₱195,537,963

Neither past due nor impaired accounts are accounts considered to be high value. The counterparties have a very remote likelihood of default and have consistently exhibited good paying habits.

Not past due but impaired accounts are active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues.

Past due but not impaired are accounts typically not impaired as the counter parties generally respond to credit actions and update their payments accordingly.

Past due and impaired are accounts which have a probability of impairment based on historical trend. These accounts show propensity to default in payment despite regular follow-up and extended payment terms.

Impairment Assessment
The Group's financial assets are subject to credit risk. Credit risk from balances with banks and financial institutions is managed by the Group's treasurer in accordance with the Group 's policy. The Group manages its credit risk by depositing its cash with high credit quality banking institutions. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each party. Counterparty credit limits are reviewed by the Group's management on an annual basis and may be updated throughout the year subject to approval of the Group's Board of Directors. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Advances to related party in 2018 is not subject to the impairment requirements of PFRS 9 since this account is highly probable to be collected through offsetting of marketing expenses by the Group.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet is financial obligations as they fall due at a reasonable cost. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or the counterparty failing on repayment of a contractual obligations; or inability to generate cash inflows as anticipated.

The Group manages liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Group's future and contingent obligations in accordance with internal policies. The Group also manages liquidity risk by maintaining adequate reserves, banking facilities through adequate credit limit and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following are the contractual cash maturities of financial liabilities:

2020	Carrying amount	Contractual cash flows	6 months or less	6-12 months	Over 1 year
Accounts payable*	₱238,302	₱238,302	₱238,302	₱-	₱-
Advances from related parties	74,705,071	74,705,071	-	74,705,071	-
	₱76,007,553	₱76,007,553	₱238,302	₱74,705,071	₱-

Accounts payable exclude payable to government agencies

2019	Carrying amount	Contractual cash flows	6 months or less	6-12 months	Over 1 year
Accounts payable*	₱52,694	₱52,694	₱52,694	₱-	₱-
Advances from related parties	73,930,569	73,930,569	73,930,569	-	-
	₱73,983,263	₱73,983,263	₱73,983,263	₱-	₱-

Accounts payable exclude payable to government agencies

It is not expected that the cash flows included in the maturity analysis above could occur significantly earlier, or at significantly different amounts.

Market Risk

Market risk is the risk that changes in market prices, such as foreign currency exchange rates that will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group doesn't have any market risk exposure.

15. Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group sets strategies with the objective of establishing a sound capital structure. The Group defines capital as capital stock and deficit.

Management has overall responsibility for monitoring capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Group's external environment and the risks underlying the Group's business, operation and industry.

The Group's debt to equity ratio as of December 31, 2020 and 2019 are as follows:

	2020	2019
Total liabilities	₱84,536,357	₱80,549,367
Total equity	143,806,845	153,952,083
Debt to equity ratio	0.59:1	0.52:1

The Group is not subject to externally imposed capital requirements.

16. Provision and Contingencies

On May 9, 2014, the trading of the Group's securities was suspended by the Philippine Stock Exchange (PSE). As of December 31, 2020 and 2019, the Group's market capitalization is ₱15,739,160,620.

In 2020 and 2019, the Group has recognized provisions for the accrual of penalties, interest and surcharges for the unfiled PSE and SEC reportorial requirements.

The Group is not aware of any pending or threatened litigation, other claims or assessments or unasserted claims of assessments that are required under PAS 37 of full PFRSs, to be accrued or disclosed in the consolidated financial statements except for the above mentioned.

The Group has complied with all aspects of contractual agreements that could have a material effect on the accounts in the event of non-compliance.

17. Non-Cash Transactions

Noncash is defined as information about all investing and financing activities of an enterprise during a period that affect recognized assets or liabilities but that do not result in cash receipts or cash payments in the period.

The non-cash transaction for the year 2020 and 2019 pertains advertising and promotions amounting to ₱6,066,636 and ₱6,066,631, respectively, as disclosed in Note 6.

18. Events after the Reporting Date

Corporate Recovery and Tax Incentives for Enterprises or "CREATE" Act
On February 1, 2021, the Bicameral Conference Committee, under the 18th Congress of the Philippines, ratified the Corporate Recovery and Tax Incentives for Enterprises (the CREATE bill). The CREATE bill seeks to reform corporate income taxes and rationalize fiscal incentives in the country by implementing certain changes to the current tax regulations. Under the bill, some changes will be implemented for periods beginning July 1, 2020.

On February 24, 2021, the final version of the CREATE bill was transmitted to the Office of the President for signing or approval into law. On March 26, 2021, the Office of the President approved the bill, now called Republic Act No. 11534 or CREATE Act. The CREATE Act will become effective 15 days after complete publication in the Official Gazette or any newspaper of general circulation in the Philippines.

Once applied, the CREATE Act will result in the reduction of the tax rate from 30% to 25%. Estimated impact on the Group's deferred taxes is nil as the management does not expect to realize benefit of its deferred tax assets in the near future.

Continuing Effects of COVID-19 Pandemic
On March 11, 2020, the World Health Organization assessed that the novel coronavirus of 2019 (COVID-19) has become a pandemic. In an effort to contain the spread of COVID-19 in the Philippines, the Government issued Presidential Proclamation No. 929 on March 16, 2020. The Proclamation declared a State of Calamity throughout the Philippines for a period of six months and imposed enhanced community quarantine (ECQ), among others. Subsequently, as measure to limit the spread of COVID-19 in the Philippines, community quarantines of varying strictness were imposed in numerous parts of the country.

In March 2021, following spike in the number of new COVID-19 cases, the Philippine Government has placed Metro Manila and other risk areas back to ECQ from March 29 to April 4, 2021 which was later extended to April 11, 2021.

These measures affected economic activities and business operations of the Group.

The scale and duration of these developments remain uncertain as of the report date. Considering the evolving nature of the pandemic, the Group will continue to monitor the situation.

Receivable from Related Party
On June 7, 2021, the ₱195,000,000 representing the receivable of Harbour Centre Port Holdings, Inc. from Sultan 900 Capital, Inc. as concurred in the Intercompany Agreement to carry on its business development activities and investment diversification strategy has been fully paid.

19. Prior Period Adjustment

The 2019 financial statements have been restated to reflect the following prior period adjustments:

a. Adjustment on accrued expenses to reflect additional professional fees for the month of December 2019.
b. Adjustment on the change of the proportion of the equity held by non-controlling interests.

	2020 *(As previously reported)*	Adjustment	January 1, 2020 *(As restated)*
Accrued expenses	(₱6,517,045)	(₱30,883)	(₱6,547,928)
Non-controlling interest	4,835,804	(4,835,804)	-

Accordingly, the financial statements and the related notes thereto impacted by the adjustments have been restated.

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

Presented below is the supplementary information which is required by the BIR under its existing Revenue Regulations (RR) to be disclosed as part of the notes to financial statements in addition to the disclosures mandated under PFRS.

RR NO. 15-2010

In compliance with the requirements of RR No. 15-2010 issued on November 25, 2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year ended December 31, 2020:

1. The amount of VAT Input taxes claimed

Details of Input VAT claimed during the period ended is as follows:

	2020
Balance, beginning of year	₱915,529
Current year's domestic purchases/payments	185,325
Balance, end of year/ period	₱1,100,854

2. Taxes and Licenses

The following is the details of taxes and licenses lodged in operating expense accounts:

	2020
Business permit	₱58,594
Documentary stamp tax	20,000
BIR registration fees	1,000
BIR registration fees	-
BIR tax clearance	100
	₱79,694

3. Withholding Taxes

The amount of withholding taxes paid/accrued for the year amounted to:

Expanded withholding taxes	₱7,500
Withholding tax on compensation	-
	₱7,500

4. Tax Assessments and Tax Cases

The Company has no outstanding tax assessments and tax cases as of December 31, 2020 in any court or bodies outside of the BIR.

RR No. 34-2020

BIR issued RR No. 34-2020, Prescribing the Guidelines and Procedures for the Submission of BIR Form No. 1709, Transfer Pricing Documentation (TPD) and other Supporting Documents, Amending for this Purpose the Pertinent Provisions of RR Nos. 19-2020 and 21-2002, as amended by RR No. 15-2010, to streamline the guidelines and procedures for the submission of BIR Form No. 1709, TPD and other supporting documents. Section 2 of the RR enumerated the taxpayers required to file and submit the RPT Form, together with the Annual Income Tax Return.

The Company is not covered under Section 2 of the RR 34-2020, hence the requirements and procedures for related party transactions provided under the said RR is not applicable.

BOA/PRC Reg. No. 0005,
August 1, 2021, valid until March 17, 2024
SEC Accreditation No. 0005-SEC,
April 13, 2021, valid until April 12, 2024

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INDEPENDENT AUDITOR'S SUPPLEMENTAL WRITTEN STATEMENT

The Shareholders and the Board of Directors
Globalport900, Inc. *(Formerly MIC Holdings, Inc.)* and Subsidiary
Unit 2701 One Corporate Centre
Julia Vargas Ave., cor. Meralco Ave.,
Ortigas Center, Pasig City

We have audited the consolidated financial statements of Globalport900, Inc. *(Formerly MIC Holdings, Inc.) and Subsidiary* ("the Group") as of and for the year ended December 31, 2020, on which we have rendered our report dated February 14, 2022.

In compliance with the Revised Securities Regulation Code (SRC) Rule 68, we are stating that the said Group has a total of sixty-one (61) stockholders owning one hundred (100) or more shares each.

ROXAS CRUZ TAGLE AND CO.

Christian Francis S. Felismino
Partner
CPA Certificate No. 0111361
Tax Identification No. 237-332-255
SEC Accreditation No. 111361-SEC, Group A, issued on February 4, 2020,
effective until February 3, 2023
BIR Accreditation No. 08-001682-016-2019, issued on November 5, 2019,
effective until November 4, 2022
PTR No. 8531375, issued on January 5, 2021, Makati City

February 14, 2022
Makati City

BDO Roxas Cruz Tagle and Co.
Audit | Tax | Consulting | BSO

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Shareholders and the Board of Directors
Globalport900, Inc. *(Formerly MIC Holdings, Inc.)* and Subsidiary
Unit 2701 One Corporate Centre
Julia Vargas Ave., cor. Meralco Ave.,
Ortigas Center, Pasig City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Globalport900, Inc. *(Formerly MIC Holdings, Inc.) and Subsidiary* ("the Group") as at and for the year ended December 31, 2020 and have issued our report thereon dated February 14, 2022. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to Financial Statements and Supplementary Schedules in this AFS are presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and are not part of the basic financial statements. Such schedules are the responsibility of management. The schedules have been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

ROXAS CRUZ TAGLE AND CO.

Christian Francis S. Felismino
Partner
CPA Certificate No. 0111361
Tax Identification No. 237-332-255
SEC Accreditation No. 111361-SEC, Group A, issued on February 4, 2020, effective until February 3, 2023
BIR Accreditation No. 08-001682-016-2019, issued on November 5, 2019, effective until November 4, 2022
PTR No. 8531375, issued on January 5, 2021, Makati City

February 14, 2022
Makati City

GLOBALPORT900, INC.AND SUBSIDIARY

(Formerly MIC Holdings, Inc.)

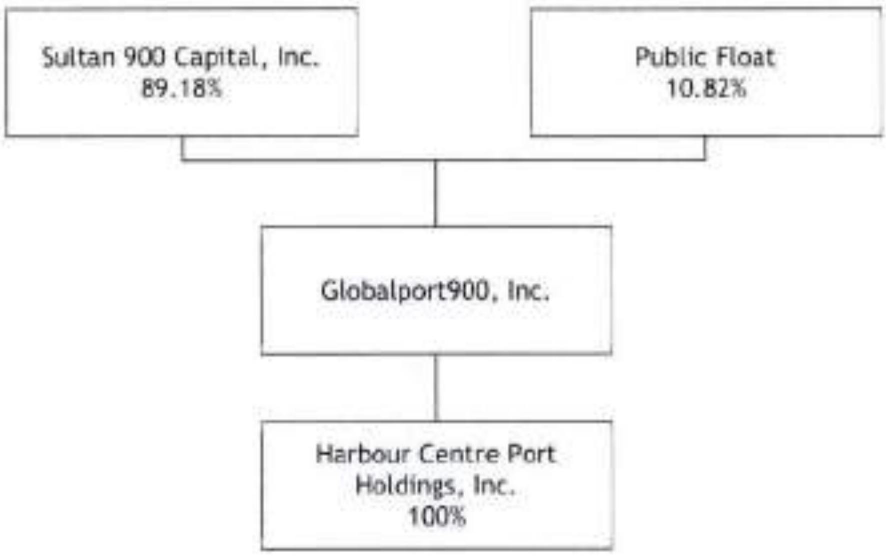
SCHEDULE II
SCHEDULE SHOWING FINANCIAL SOUNDNESS PURSUANT TO REVISED SRC RULE 68
AS AT DECEMBER 31, 2020

Ratio	Formula		As at 2020	As at 2019
Liquidity Ratio:				
Current ratio	Total Current Assets divided by Total Current Liabilities		**2.39:1**	0.09:1
	Total Current Assets	202,446,139		
	Divide by: Total Current Liabilities	84,536,357		
	Current ratio	2.39		
Quick ratio	Quick Assets (Cash add Receivables - net) divided by Total Current Liabilities		**0.00:1**	0.01:1
	Quick Assets	273,649		
	Divide by: Total Current Liabilities	84,536,357		
	Quick ratio	0.00		
Solvency Ratio:				
Debt ratio / Debt-to asset ratio	Total Liabilities divided by Total Assets		**0.37:1**	0.34:1
	Total Liabilities	84,536,357		
	Divide by: Total Assets	228,343,202		
	Debt-to-asset ratio	0.37		
Debt-to-equity ratio	Total Liabilities divided by Total Equity		**0.59:1**	0.52:1
	Total Liabilities	84,536,357		
	Divide by: Total Equity	143,806,845		
	Debt-to-equity ratio	0.59		
Asset-to-equity ratio	Total assets divided by Total Equity		1.59:1	1.52:1
	Total Assets	228,343,202		
	Divide by: Total Equity	143,806,845		
	Asset-to-equity ratio	1.59		

Ratio	Formula		As at 2020	2019
Profitability Ratios:				
Return on assets	Net Loss divided by Average Total Assets (Total Assets as of December 31, 2020 add Total Assets as of December 31, 2019 divided by two)		(4.44%)	(6.00%)
	Net Loss	(10,145,238)		
	Divide by: Average Total Assets	231,422,326		
	Return on assets	(4.44%)		
Return on equity	Net Loss divided by Average Total Equity (Total Equity as of December 31, 2020 add Total Equity as of December 31, 2019 divided by two)		(6.81%)	(20.26%)
	Net Loss	(10,145,238)		
	Divide by: Ave. Total Equity	148,879,464		
	Return on equity	(6.81%)		

GLOBALPORT900, INC.AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

SCHEDULE III
A MAP SHOWING THE RELATIONSHIP BETWEEN AND AMONG THE GROUP AND ITS ULTIMATE PARENT COMPANY, MIDDLE PARENT AND ITS CO-SUBSIDIARIES PURSUANT TO REVISED SRC RULE 68
AS AT DECEMBER 31, 2020



GLOBALPORT900, INC.AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

SCHEDULE IV
SCHEDULE A
FINANCIAL ASSETS
DECEMBER 31, 2020

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Income received and accrued
	NOT APPLICABLE		

GLOBALPORT900, INC. AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

SCHEDULE B
AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
DECEMBER 31, 2020

Name and Designation of debtor	Balance at beginning of period	Additions	Amounts written off	Current	Not Current	Balance at end of period
Sultan 900 Capital Inc.	195,000,000	-	-	195,000,000	-	195,000,000

GLOBALPORT900, INC. AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

SCHEDULE C
AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOT APPLICABLE

GLOBALPORT900, INC. AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

SCHEDULE D
LONG TERM DEBT
DECEMBER 31, 2020

Name of issuer and type of obligation	Total outstanding balance	Amount shown under caption "Current portion of long-term debt"	Amount shown caption "Long-term Debt"
	NOT APPLICABLE		

GLOBALPORT900, INC. AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

SCHEDULE E
INDEBTNESS TO RELATED PARTIES (LONG-TERM LOANS AND FROM RELATED COMPANIES)
DECEMBER 31, 2020

Name of the Related Party	Balance at beginning of period	Balance at end of period
Stockholders	73,930,569	74,705,071

GLOBALPORT900, INC. AND SUBSIDIARY
(Formerly MIC Holdings, Inc.)

SCHEDULE F
GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2020

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

GLOBALPORT900, INC. AND SUBSIDIARY

(Formerly MIC Holdings, Inc.)

SCHEDULE G
CAPITAL STOCK
DECEMBER 31, 2020

Title of Issue	Number of Shares Authorized	Number of shares issued and outstanding as shown under related financial position caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common	3,000,000,000	2,335,000,000	-	2,229,499,500	900	105,499,600

ANNEX "D"

Gmail

Aya Balana <yangmbalana@gmail.com>

17Q 2nd Qtr_Globalport 900, Inc.

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> 22 April 2022 at 15:09
To: yangmbalana@gmail.com

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.
(Subject to Verification and Review of the Quality of the Attached Document)
Official copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, Monthly Reports, Quarterly Reports, Letters, through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail, eFAST/OST or over- the- counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL (OST)** such as:
AFS, GIS, GFFS, LCFS, LCIF, FCFS. FCIF, IHFS, BDFS, PHFS etc. ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

FOR MC28, please email to:

https://apps010.sec.gov.ph

For your information and guidance.

Thank you and keep safe.

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, 2021**

2. Commission identification number **PW-225** 3. BIR Tax Identification No **000-477-902**

3. Exact name of issuer as specified in its charter **GLOBALPORT 900, INC.**

4. **Metro Manila, Philippines**
Province, Country or other jurisdiction of incorporation or organization

5. __________ (SEC Use Only)
Industry Classification Code:

6. **Unit 2701 One Corporate Centre, Meralco Ave. cor. Julia Vargas Ave. Ortigas Center, Pasig City**
Address of principal office

1605
Postal Code

7. **(632) 86378851**
Issuer's telephone number, including area code

8. N/A
Former name, former address and former fiscal year, if changed since last report

9. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stocks Outstanding
Common Shares	2,334,798,500

10. Are any or all of the securities listed on a Stock Exchange?

Yes [x] No [ ]

11. 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 twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [x] No [ ]

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

Yes [x] No [ ]

TABLE OF CONTENTS

PART 1 – FINANCIAL STATEMENTS

PART 2 – OTHER INFORMATION

No contingent liabilities or contingent assets or known trend and events that may materially affect the company's operation nor there are estimates of amounts reported in prior interim periods or of the current financial year that have material effect on the foregoing financial statements.

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: **GLOBALPORT 900, INC.**

SHEILA MARIE B. ROMERO
Chairman of the Board/ President

WALTER ENRIQUE R. RAMOS
Treasurer

AGNES H. MARANAN
Corporate Secretary

SUBSCRIBED AND SWORN to before this ____ day of APR 21 2022 ____, affiant(s). Exhibiting to me their valid identifications, as follows:

NAMES	IDENTIFICATION INFORMATION
Sheila Marie B. Romero	Philippine Passport NO. P7014100B
Walter Enrique R. Ramos	Drivers licence NO. 802-87-017535
Agnes H. Maranan	Philippine passport NO. P3202105A

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Book No. III
Series of 2022

MICHELLE A. VALE CRUZ
NOTARY PUBLIC FOR MAKATI CITY
Roll No. 71772 / Appointment No. M-241
Unit 12-GS KL Tower, 117 Gamboa Street
Legaspi Village, Makati City
IBP No. 183308/01-03-2022/Cavite
PTR No. 8868822/01-18-2022/Makati City
MCLE Compliance No. VI-027525/06-24-19
Commission extended until 30 June 2022

GLOBALPORT 900, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of June 30, 2021 and December 31, 2020

(In Philippine Peso)

		Unaudited June 30,	Audited December 31,
ASSETS	**Notes**	**2021**	**2020**
Current Assets			
Cash	6	306,098,024	273,649
Prepayments and Other Current Assets	7	184,615,777	7,172,490
Advances to Related Parties	5	-	195,000,000
Total Current Assets		**490,713,801**	**202,446,139**
Non-Current Assets			
Prepayments - Net of Current Portion	5	19,636,627	19,636,627
Office Equipment - Net	8	4,224	10,536
Investment in Stocks	9	6,249,900	6,249,900
Total Non-Current Assets		**25,890,751**	**25,897,063**
TOTAL ASSETS		**516,604,552**	**228,343,202**
LIABILITIES AND EQUITY			
Current Liabilties			
Trade and Other Payables	10	9,132,105	8,767,106
Advances from Related Parties	5	358,066,971	75,769,251
Total Liabilities		**367,199,076**	**84,536,357**
Equity			-
Share Capital	11	2,266,250,900	2,266,250,900
Additional Paid-in- Capital	11	268,309	268,309
Treasury Shares	11	(595,111)	(595,111)
Deficit		(2,134,843,327)	(2,122,117,253)
Equity/ (Capital Deficiency) Attributable to Controlling Interest		131,080,771	143,806,845
Non-Controlling Interests		18,324,705	-
Total Equity (Capital Deficiency)		149,405,476	143,806,845
TOTAL LIABILITIES AND EQUITY		**516,604,552**	**228,343,202**

GLOBALPORT 900, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

As of and for the period ended June 30, 2021 and 2020

(In Philippine Peso)

	Notes	June 30, 2021 Current Year (3 Months)	June 30, 2020 Current Year (3 Months)	June 30, 2021 Current Year to Date	For the period January 1 to June 30, 2020
General and Administrative Expenses	12	(10,351,411)	(1,702,515)	(13,001,419)	(3,860,030)
Other Income	6	18	-	35	25
Loss for the Year		(10,351,393)	(1,702,515)	(13,001,384)	(3,860,005)
Income Tax Expense		-	-	-	-
Net income (loss) for the year		(10,351,393)	(1,702,515)	(13,001,384)	(3,860,005)
Other Comprehensive Income		-	-	-	-
TOTAL COMPREHENSIVE LOSS		**(10,351,393)**	**(1,702,515)**	**(13,001,384)**	**(3,860,005)**
Comprehensive income attributable to:					
Equity Holders of the Parent		(10,076,083)	(1,702,515)	(12,726,074)	(3,860,005)
Non-Controlling Interest		(275,310)	-	(275,310)	-

GLOBALPORT 900, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

As of and for the period ended June 30, 2021 and December 31, 2020

(In Philippine Peso)

	Attributable to Equity Holder of the Parent					Non-controlling Interests	Total
	Share Capital - Note 11	Additional Paid-In Capital - Note 11	Treasury Shares - Note 11	Deficit	Total		
Balances as of January 01, 2020	2,266,250,900	268,309	(595,111)	(2,111,972,015)	153,952,083	-	153,952,083
Total Comprehensive Income (Loss) for the Period				(3,860,005)	(3,860,005)	-	(3,860,005)
Balance as of June 30, 2020	**2,266,250,900**	**268,309**	**(595,111)**	**(2,115,832,020)**	**150,092,078**	-	**150,092,078**
Total Comprehensive Income (Loss) for the Period				(6,285,233)	(6,285,233)	-	(6,285,233)
Balance as of December 31, 2020	**2,266,250,900**	**268,309**	**(595,111)**	**(2,122,117,253)**	**143,806,845**	-	**143,806,845**
Equity Attributable to Non-Controlling Interest				-	-	18,600,015	18,600,015
Total Comprehensive Income (Loss) for the Period				(12,726,074)	(12,726,074)	(275,310)	(13,001,384)
Balance as of June 30, 2021	2,266,250,900	268,309	(595,111)	(2,134,843,327)	131,080,771	18,324,705	149,405,476

GLOBALPORT 900, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

As of and for the period ended June 30, 2021 and 2020

(In Philippine Peso)

	June 2021	June 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Income (loss) Before Tax	(13,001,384)	(3,860,005)
Adjustment for:		
Advertising and Promotion	3,033,318	1,516,659
Depreciation	6,312	3,156
Interest Income	-	25
Retained Earnings Adjustment	-	(30,884)
Operating Loss before Working Capital Changes	(9,961,754)	(2,371,049)
Decrease (Increase) in Operating Assets:		
Prepayment and Other Current Assets	(180,476,605)	2,949,399
Increase (Decrease) in Operating Liability:		
Trade and Other Payables	364,999	(25,017)
Other Current Liabilities	-	
Cash Used in Operations	(190,073,360)	553,333
Interest Received		-
Net Cash Used in Operating Activities	**(190,073,360)**	**553,333**
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in Stocks	-	-
Net Cash Generated from Investing Activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances to Related Party	195,000,000	-
Advances from Related Party	282,297,720	(725,547)
Proceeds from Non-Controlling Stockholders	18,600,015	-
Net Cash Generated from Financing Activities	**495,897,735**	**(725,547)**
NET INCREASE IN CASH	305,824,376	(172,214)
CASH AT THE BEGINNING OF THE YEAR	273,649	537,963
CASH AT THE END OF THE YEAR	**306,098,024**	**365,749**

1. CORPORATE INFORMATION

Group Profile

GLOBALPORT 900, INC.. (herein referred to as "the Parent Company") was incorporated and registered with the Securities and Exchange Commission (SEC) on May 1, 1933, as Metropolitan Insurance Company. The Parent Company is a public company whose shares are listed in Philippine Stock Exchange (PSE) since June 9, 1948. On December 7, 2011, the SEC approved the change in corporate name of the Parent to Globalport 900, Inc. and the amendments to its primary purpose. Its primary purpose, as amended, is to own, invest, manage, operate, maintain and develop port facilities, including other maritime activities supportive of port operations and shipping, and to establish or acquire subsidiaries and affiliates within or outside the Philippines for the same purposes herein set forth including those incidentals thereto.

Sultan 900 Capital (Ultimate Parent Company), Inc. a domestic holding company with investments in ports and shipping industries and other infrastructure developments in the Philippines, owns about 90% of the Parent Company while the remaining shares are held by the public.

The Parent Company owns 100% of the outstanding capital stock of Harbour Centre Port Holdings, Inc. (HCPHI), a domestic corporation registered with the SEC on September 12, 2007, as a holding company whose interests are in ports and logistics operations and management.

The Parent Company and its subsidiary (HCPHI) are herein collectively referred to as the "Group".

The Parent Company's registered office address is located at Unit 2701 One Corporate Centre, Julia Vargas St. cor. Meralco Ave., Ortigas Center, Pasig City.

Status of Operation

As of June 30, 2021, the Group has a capital deficiency of P 2,134,843,327 as a result of losses incurred by the Group during the prior years, majority of which were due to the impairment of its subsidiary's investment. The management believes that the Group has the ability to continue as a going concern considering the activities undertaken to strengthen its financial position as it continues to participate into port operations and development projects throughout the country to attain financial sustainability. The Management believes that the operation and financial position will improve in the coming years.

The Management is of the opinion that it is appropriate to prepare the financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made on the financial statements to adjust the value of Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and reclassify non-current assets as current asset.

As at June 30, 2021, the Parent Company's market capitalization registered in the Philippine Stock Exchange is P17,044,033,430.

The trading of the Parent Company's securities was suspended by the PSE until further notice due to the on-going processing to update the structured reportorial requirements submission with the Stock Exchange.

2. BASIS FOR THE PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

Statement of Compliance

The accompanying consolidated financial statements of the Group have been prepared in accordance with the Philippine Financial Reporting Standards (PFRSs). PFRSs include all applicable PFRS, Philippine Accounting Standards (PAS), and Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as approved by the Financial Reporting Standards Council (FRSC) and adopted by the SEC.

Basis of Preparation

The consolidated financial statements are prepared on a going concern basis under the historical cost convention, except where a PFRSs requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

Presentation and Functional Currency

Items included in the consolidated financial statements of the Group are measured using Philippine Peso, the currency of the primary economic environment in which the Parent operates (the "functional currency"). All presented financial information has been rounded to the nearest peso, except when otherwise indicated.

Use of Judgments and Estimates

The accompanying consolidated financial statements are prepared in conformity with accounting principles generally accepted in the Philippines which require management to make judgments, estimates and assumptions that affect the amounts reported in the Group's financial statements and accompanying notes. The estimates and assumptions are reviewed on an on-going basis.

Judgments are made by management in the development, selection and disclosure of the Group's significant accounting policies and estimates and the application of these policies and estimates.

The estimates and assumptions are reviewed on an on-going basis. These are based on management's evaluation of relevant facts and circumstances as of the reporting date. Actual results could differ from such estimates.

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.

Going Concern Assumption

The Group is not aware of any significant uncertainties that may cast doubts upon the Group's ability to continue as a going concern. The Parent Company has plans to expand its investment in other various businesses with end goal of being able to manage and/or operate subject to the approval of the Board.

3. BASIS OF CONSOLIDATION

The Group's consolidated financial statements comprise the separate financial statements of the Parent and its subsidiaries as of June 30, 2021 and December 31, 2019.

Control is achieved when the Group is exposed, or has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit and loss and each component of Other Comprehensive Income (OCI) are attributable to the equity holders of the Parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The reporting dates of the Parent and the subsidiary are identical and the latter's accounting policies conform to those used by the Parent like transactions and events in similar circumstances.

Non-controlling interests represent the portion of comprehensive income and net assets not held by the Parent and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statements of financial position, separately from equity attributable to equity holders of the Parent.

The consolidated financial statements include the accounts of the Parent and its subsidiaries as follow:

Subsidiaries	Place of Incorporation	Nature of Business	% of Shares Directly Held by the Parent	% of Shares Directly Held by the Group
Harbour Centre Port Holdings Inc. (HCPHI)	Quezon City	Holding Group	100%	
Globalport Iligan Terminal Inc.	Zamboanga City	Transportation and Storage		98%
Globalport Ozamiz Terminal Inc.	Zamboanga City	Transportation and Storage		98%
Globalport Zamboanga Terminal Inc.	Zamboanga City	Transportation and Storage		95%

Financial Assets at Fair Value through OCI (Debt Instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Group has no debt instruments at fair value through OCI as of June 30, 2021 and December 31, 2020.

Financial Assets designated at Fair Value through OCI (Equity Instruments)

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

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

The Group has no financial asset to be classified under this category.

Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for

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

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

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognized as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

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

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

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

Impairment of Financial Assets

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

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

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established 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.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument.

In certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

As of the period ended, the Group has no financial assets in its financial statements that is subject for impairment.

Advances to Related Parties

Advances to related parties are the aggregate amounts of receivables for offsetting with the Group's acquired services and for liquidation with the Group's general and administrative expenses of the related parties where one party can exercise control or significant influence over another party; including affiliates, owners or officers and their immediate families, pension trusts, and so forth, at the financial statement date, which are usually due within one year (or one business cycle).

Advances to related parties are measured at the fair value of the consideration given to a related party. The transaction made is equivalent to an arm's length transaction.

Prepayments and Other Current Assets

Assets that are expected to be converted to cash within 12 months or to be realized, sold or consumed within the Group's normal operating cycle are classified as current assets in the consolidated statement of financial position. Otherwise, it is classified as non-current asset. Other current assets recognized by the Group include input tax.

Intangible Assets

Intangible assets include software licenses which are accounted for under the cost model. The cost of the asset is the amount of cash or cash equivalents paid or the fair value of the other considerations given to acquire an asset at the time of its acquisition. Capitalized costs are amortized on a straight-line basis over the estimated useful life of three years as these intangible assets are considered finite. Computer software licenses are capitalized on the basis of the costs incurred to acquire and install the specific software. Costs associated with maintaining computer software licenses are expensed as incurred.

Business Combination and Goodwill

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

The Group measures goodwill at the acquisition date as: a) fair value of the consideration transferred; plus, b) the recognized amount of any non-controlling interest in the acquiree; plus, c) if the business combination is achieved in stages the fair value of the existing equity interest in the acquiree; less, d) the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss. Subsequently, goodwill is measured at cost less any accumulated impairment in value. Goodwill is reviewed for impairment, annually or more frequently, if events or changes in circumstances indicate that the carrying amount may be impaired.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Cost related to the acquisition, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination are expensed as incurred. Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognized in profit or loss.

Goodwill in a Business Combination

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated a) represents the lowest level within the Group at which the goodwill is monitored for internal management purposes and; b) is not larger than an operating segment determined in accordance with PFRS 8, *Operating Segments*.

Impairment is determined by assessing the recoverable amount of the cash-generating unit or group of cash-generating units, to which the goodwill is related. Where the recoverable amount of the cash generating unit or group of cash-generating units is less than the carrying amount, an impairment loss is recognized.

Where the goodwill forms part of ta cash-generating units of group of cash-generating units and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained. An impairment loss with respect to goodwill is not reversed.

Loss of Control

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any noncontrolling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an AFS financial asset depending on the level of influence retained.

Impairment of Non-Financial Assets Excluding Inventories

At each reporting date, the Group assesses whether there is any indication that any non-financial assets may have suffered an impairment loss. If any such indication exists, the recoverable amount of these assets is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The Group's corporate assets do not generate separate cash inflows. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized as an expense.

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. When an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized as income.

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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined (net of any accumulated depreciation for property and equipment) had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Financial Liabilities and Equity Instruments

A financial liability is any liability that is:

a. a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
b. a contract that will or may be settled in the entity's own equity instruments and is
    (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
    (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Classification as Financial Liability or Equity Instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar instrument. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured.

Transaction costs that related to the issue of the compound instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

Financial Liabilities

Financial liabilities are recognized when the Group becomes a party to the contractual agreements of the instrument. Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities. The Group has no financial liabilities at FVTPL as of June 30, 2021 and December 31, 2020.

Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value inclusive of directly attributable transaction costs.

After initial recognition, interest-bearing other financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization pertain partly payment to the principal and payment for interest. Interest expense is recognized in profit or loss.

Gains and losses are recognized in profit or loss when the liabilities are derecognized.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Included in this category is the Group's trade and other payables and advances from stockholders that meet the above definition (other than liabilities covered by other PFRSs, such as income tax payable), in the statement of financial position.

Derecognition of Financial Liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognized when the Group has a present obligation, whether legal or constructive, as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made for the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

Contingent Liabilities and Assets

Contingent liabilities and assets are not recognized because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are disclosed only when an inflow of economic benefits is probable.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Share Capital

Ordinary shares represent the nominal value of shares that have been issued are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax. The cost of acquiring the Group's own shares are shown as a deduction from equity until the shares are cancelled or reissued. When such shares are subsequently sold or reissued, any consideration received, net of directly attributable incremental transaction costs and the related income tax effects, is included in the equity.

Additional Paid-in Capital

Additional paid-in capital pertains to any premium received by the Group on the issuance of capital stock. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax under reserves.

Deficit

The deficit represents net accumulated losses of the Group since its inception.

Treasury Shares

The cost of acquiring the Group's own shares were shown as deduction from equity as treasury shares until the shares are cancelled or reissued. Treasury shares are stated at the cost of reacquiring such shares and are deducted from equity attributable to the Group's equity holders until the shares are cancelled, reissued or disposed of. When such shares are subsequently sold or cancelled, any consideration received, net of directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Group's equity holders.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be reliably measured and when the following specific criteria have been met:

Interest Income

Revenue is recognized as interest accrues on a time proportion basis that reflects the effective yield on the assets. Interest income on bank deposits is recorded when earned and presented net of applicable final tax.

Other Income

Revenue is recognized when there is an incidental economic benefit, other than from the usual business operations that will flow to the Group and it can be measured reliably.

Cost and Expense Recognition

Cost and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distribution to equity participants. Cost and expenses are generally recognized in profit or loss in the following manner:

- On the basis of a direct association between costs incurred and the earning of specific items of income;
- On the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and association with income can only be broadly or indirectly determined; or
- Immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

General and Administrative Expense

General and administrative expenses are incurred in the direction and general administration of day-to-day operation of the Group. These are generally recognized when the services are rendered, or the expenses are incurred.

General and administrative expense comprise of advertising and promotion, transportation, professional fees, taxes and licenses, office supplies, membership and association dues and miscellaneous expenses.

Employee Benefits

Short–Term Benefits

The Group recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Said benefits are measured at the undiscounted amount expected to be paid in exchange for services rendered. Short–term benefits given by the Group to its employees include salaries and wages, social security contributions, short–term compensated absences and bonuses, non–monetary benefits and other short-term benefits.

Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the reporting date. They are included in "Trade and Other Payables" account in the statement of financial position.

Post–employment Benefits

The Group has a non-contributory defined benefit retirement plan covering all of its regular employees. Retirement expense is determined using the projected unit credit actuarial valuation method taking into account the factors of discount rates, the expected rates of return on plan assets, expected rates of salary increases, employee turnover, mortality, and medical cost trend rates.

In the absence of an actuarial valuation, the Group adopted the provision of RA 7641, otherwise known as the Retirement Pay Law in recognizing retirement cost. Under the said RA, an employee upon reaching sixty (60) years or more, but not beyond sixty-five (65) years, who has served at least five (5) years in the Group shall be entitled to retirement pay.

Retirement cost is computed based on ½ month salary for every year of service, a fraction of six months being considered as one whole year. The term ½ month salary shall mean 15 days plus 1/12 of the 13th month pay and the cash equivalent of not more than five days' service incentive leaves. The recorded accrued retirement liability is the aggregate of the present value of the benefit obligation at the end of the reporting period.

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that is within the scope of PAS 37: "Provisions, Contingent Liabilities and Contingent Assets" and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Foreign Currency Transactions and Translation

Transactions in foreign currencies are initially recorded in the functional currency closing rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rate of exchange prevailing at the reporting date. All differences are taken to the statement of comprehensive income. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transactions. Exchange differences arising on the settlement of monetary items, and on revaluation of monetary items are included in the statements of comprehensive income.

Related Parties and Related Party Transactions

Related Party Relationship

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

The key management personnel of the Group, post-employment benefit plans for the benefit of Group's employees, and close members of the family of any individuals owning directly or indirectly a significant voting power of the Group that gives them significant influence in the financial and operating policy decisions of the Group are also considered to be related parties.

Related Party Transaction

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. An entity is related to the Group when it directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with the Group. Transactions between related parties are accounted for at arm's length prices or on terms similarly offered to non-related entities in an economically comparable market.

Value-added Tax

Revenues, expenses and assets are recognized, net of the amount of value-added tax (VAT) except:

- where VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT 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 VAT included.

Income Taxes

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except that a change attributable to an item of income or expense recognized as other comprehensive income is also recognized directly in other comprehensive income.

Current Income Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable nor deductible.

The Group's current income tax liability is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates position taken in tax returns with respect to situation in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Income Tax

Deferred income tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases of such assets and liabilities as at balance sheet date.

Deferred income tax liabilities are generally recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability that is not a business combination and, at the time of the transaction, affect neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are generally recognized for all deductible temporary differences, the carry-forward of unused tax losses and the carry-forward of unused tax credits to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences and carry-forward tax benefits can be utilized, except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that sufficient future taxable profits will allow such deferred tax assets to be recovered.

Deferred tax asset is also recognized for Net Operating Loss Carry Over (NOLCO).

Section 34 (D) (3) define Net Operating Loss Carry Over as the net operating loss of the enterprise for any taxable year immediately preceding the current year, which has not been previously offset as deduction from gross income shall be carried over as a deduction from gross income for the next five (5) consecutive taxable years, under Republic Act No. 11494 for taxable years 2020 and 2021, immediately following the year of loss.

Deferred income tax assets and liabilities are measured at the tax rates that are applicable to the year when the asset is expected to be realized or the liability is expected to be settled, based on tax laws that have been enacted or substantively enacted as at balance sheet date.

Provisions

Provisions are recognized when the Group 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingencies

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

Events After the End of the Reporting Date

The Group identifies events after the reporting date as events that occurred after the reporting date but before the date of the financial statements were authorized for issue. Any event that provides additional information about the Group's financial position at the reporting date is reflected in the financial statements. Non-adjusting events are disclosed in the notes to the financial statements when material.

4. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS, AND JUDGMENTS USED

The preparation of the accompanying Group financial statements in conformity with PFRS requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the Group financial statements. Actual results could differ from such estimates. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

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

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 revision and future periods if the revision affects both current and future periods.

The critical judgments made in the process of applying the accounting policies that have the most significant effect on the amounts recognized in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Critical Judgments in Applying Accounting Policies

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

Determining Functional Currency

Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency has been determined to be the Philippine peso. The Philippine Peso is the currency of the Primary economic environment in which the Group operates. It is the currency that mainly influences the sales of services and the cost of providing these services.

Classification of Financial Instruments

The Group classifies a financial instrument, or its components parts, on initial recognition, as a financial asset, 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 separate statements of financial position.

Distinction between Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. As of June 30, 2021, and December 31, 2020, the Group has determined that no contingencies will materially affect the Group's consolidated financial statement, hence no provisions are recognized.

Determination of Control Over Subsidiaries

In evaluating whether an entity has control over another entity it must first be ascertained whether the entity has the power to participate in the financial and operating policy decisions of the other entity.

Control is presumed to exist when the parent owns directly or indirectly, through subsidiaries, more than half of the voting power of an entity. In some instances, this will be clear-cut. However, in other circumstances, such ownership may not constitute control.

When control is not established through voting power, judgement may need to be applied to determine whether other factors result in control. Other factors to be considered include the ability to govern an entity's financial and operating policies and the existence of power to appoint or remove members of an entity's Board of Directors or equivalent governing body.

The existence of potential voting rights through options or convertible instruments may require further judgement.

Recognition of Deferred Income Tax

Management's judgment is required in determining the provision for income taxes, deferred tax assets and liabilities, and the extent to which deferred income tax assets can be recognized. A deferred tax asset is recognized if it is probable that sufficient taxable income will be available in the future against which the temporary differences and unused tax losses can be utilized. Management also considers future taxable income and tax planning strategies in assessing whether deferred tax assets should be recognized in order to reflect changed circumstances as well as tax regulations.

As a result, due to their inherent nature, it is likely that deferred tax calculation relates to complex fact patterns for which assessments of likelihood are judgmental and not susceptible to precise determination.

Estimates and Assumptions

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.

The key assumptions concerning the future and other key sources of estimation uncertainty at each reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Evaluating Allowance for Impairment on Advances to Related Parties

An impairment loss is recognized when there is objective evidence that a financial asset is impaired. Management specifically reviews its advances to affiliates and analyses historical bad debts, creditworthiness, of June 30, 2021 and December 31, 2020, respectively. No allowance for impairment was recognized in the same dates. Current economic trends and changes in the payment terms when making a judgment to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation. Such difference will impact the carrying amount of advances to affiliates.

The carrying amount of advances to related parties tested for impairment amounted to nil and ₱195,000,000, as of June 30, 2021 and December 31, 2020, respectively. No allowance for impairment was recognized in the same dates.

Estimating Allowance for Impairment Losses on Non-Financial Assets

The Group performs an impairment review when certain impairment indicators are present. Determining the fair value of property and equipment and intangible assets, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Group to make estimates and assumptions that can materially affect the consolidated financial statements. Future events could cause the Group to conclude that property and equipment and intangible assets associated with an acquired business is impaired. Any resulting impairment loss could have a material adverse impact on the financial condition and results of operations of the Group.

The preparation of the estimated future cash flows involves significant judgment and estimations. While the Group believes that its assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future additional impairment.

Estimating Realizability of Deferred Income Tax Assets

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

5. RELATED PARTY TRANSACTIONS

Related Party Relationships

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

Related parties on this financial statement refer to Ultimate Parent and stockholders of the parent Group. They are as follows:

Related parties	Country of Incorporation	Relationship
Sultan 900 Capital, Inc.	Philippines	Ultimate Parent
Officers and stockholders		Key management personnel

Related Party Transactions and Balances

There are transactions and arrangements between the Group and members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements.

(In Philippine Peso)

Trading Transactions

There were no trading transactions occurred between related parties as of June 30, 2021 and December 31, 2020.

The Company's transaction and balances with related parties as of June 30, 2021 and December 31, 2020 are as follows:

		Transaction			Balances		
Entity	**Year**	**Advertising and Promotion**	**Advances to**	**Advances from**	**Advances to**	**Advances from**	**Terms and conditions**
a) Sultan 900 Capital, Inc.	**June 2021**	**3,033,318**	**(195,000,000)**	–	–	**1,064,180**	no fixed term; non-interest bearing, unsecured
	2020	6,066,636	(6,066,636)	1,064,180	195,000,000	1,064,180	
b) Stockholder	**June 2021**	–	–	**282,297,720**	–	**357,002,791**	non-interest bearing, unsecured, payable on demand
	2020	–	–	774,502	–	74,705,071	
	June 2021	**3,033,318**	**(195,000,000)**	**426,170,000**	–	**358,066,971**	
	2020	6,066,636	(6,066,636)	1,838,682	195,000,000	75,769,251	

(In Philippine Peso)

a) The Group has entered into an agreement to share in advertising and marketing with its Ultimate Parent and is charged at P 505,553 monthly.

Offsetting

The Group made cash advances to its parent for investment purposes in 2012. The Group and the Ultimate Parent, agreed to offset the recharges of marketing expenses by the latter to the Group.

The movement of the Group's advances to related parties are as follows:

	June 30, 2021	December 31, 2020
Balance, beginning of year	**220,703,268**	226,769,899
Offsetting	**(3,033,318)**	(6,066,631)
Receivable from Related Party	**217,669,950**	220,703,268
Advances reclassified as Prepayments (Note 7)	**(22,669,950)**	(25,703,268)
Payment made as of June 30, 2021	**(195,000,000)**	-
Balance, end of year	-	195,000,000

The amounts outstanding are non-interest bearing, unsecured, collectible in demand, as they have no specific maturity, and will be settled through offsetting of marketing expenses.

No guarantees have been received and no provisions have been made for any impaired amount owed by related parties.

Advances during 2020 amounting to P 1,064,180, represent acquisition of computer application paid by Sultan 900 Capital, Inc. on behalf of the Group used in the ordinary course of its business. The amounts outstanding are non-interest bearing, unsecured, payable in demand, as they have no specific maturity and will be settled in cash.

The movement of the Group's advances from its parent as of June 30, 2021 and December 31, 2020 are as follows:

	June 30, 2021	December 31, 2020
Balance, beginning of year	**1,064,180**	–
Advances made during the year	–	1,064,180
Payments made during the year	–	–
Balance, end of year	**1,064,180**	1,064,180

b) Advances from stockholders represent Group expenses paid by a stockholder in behalf of the Group, including professional fees, penalties, membership and association dues and other general and administrative expenses.

The movement in the account is as follows:

	June 30, 2021	December 31, 2020
Balance, beginning of year	**74,705,071**	73,930,569
Advances made during the year	**282,297,720**	774,502
Payments made during the year	–	–
Balance, end of year	**357,002,791**	74,705,071

(In Philippine Peso)

The amounts outstanding are non-interest bearing, unsecured, payable in demand, as they have no specific maturity, and will be settled in cash.

No guarantees have been given and no provisions have been made for any impaired amount owed by the Group.

The amounts outstanding are non-interest bearing, unsecured, collectible in demand, as they have no specific maturity, and will be settled through cash.

No guarantees have been received and no provisions have been made for any impaired amount owed by related parties.

Key Management Compensation

The Group considers as key management personnel directors and all employees holding managerial position up to the president having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

No member of the Board of Directors has received per diem or any compensation for any service provided as director for the year. The Group has no other arrangements in material terms, including consulting contracts, pursuant to which any director was compensated, or is to be compensated directly or indirectly for the year, for any service provided as director.

6. CASH

For the purpose of the statement of cash flows, cash include cash in banks.

Cash at the end of the reporting period as shown in the statement of cash flows can be reconciled to the cash in the statement of financial position.

Cash in banks pertain to savings account with local banks which amounts to ₱306,098,024 and ₱273,649 as at June 30, 2021 and December 31, 2020, respectively.

Cash in banks earn interest at the respective bank deposit rates. Interest income earned for the year ended June 30, 2021 and June 30, 2020 amounted to ₱35 and ₱25, respectively.

There was no restriction imposed upon cash in bank and on hand by either management, stockholders or outside parties.

7. PREPAYMENTS AND OTHER CURRENT ASSETS

The details of the Group's prepayments and other current assets are shown below:

	June 30, 2021	December 31, 2020
Project Development Cost	**180,261,959**	
Prepaid Marketing Fees – Current	**3,033,318**	6,066,631
Input VAT	**1,260,500**	1,100,854
Advances to Employees	**60,000**	-
Other Current Assets	**-**	5,000
TOTAL	**184,615,777**	7,172,490

Project development costs include performance security, prepaid concession fees, and other capitalizable costs directly attributable to the projects.

Prepaid marketing fees pertains to the offsetting agreement of the Parent Company with its Ultimate Parent to offset the advances to related party with the marketing expenses of the Parent Company until the amount due is fully exhausted.

Input VAT pertains to value-added tax credits on purchases of goods and/or services incurred by the Group.

(In Philippine Peso)

8. OFFICE EQUIPMENT

	March 31, 2021	December 31, 2020
Cost:		
At beginning of the year	**37,899**	37,899
Additions	–	–
At end of the year	**37,899**	37,899
Accumulated Depreciation:		
At beginning of the year	**27,363**	14,739
Depreciation – Note 15	**6,312**	12,624
At end of the year	**33,675**	27,363
Carrying amount	**4,224**	10,536

As of June 30, 2021 and December 31, 2020, the Group has no contractual commitment to purchase or build property and equipment.

During the year, the Group reviewed the recoverable amounts of its property and equipment. The Group determined that there is no indication that an impairment loss has occurred on its property and equipment.

9. INVESTMENT IN STOCKS

This represents Group's investment in shares of stocks in Globalcity Mandaue Corporation amounting to P6,249,900 which represents 5% ownership of the said company.

10. TRADE AND OTHER PAYABLES

This account consists of:

	June 30, 2021	December 31, 2020
Accrued Expenses	**8,821,304**	8,521,304
Outside Parties	**214,968**	238,302
Government Dues	**95,833**	7,500
TOTAL	**9,132,105**	6,587,915

Trade payable includes obligations to the suppliers which are related to the services rendered to the Group.

Accrued expenses generally include professional fees, penalties and interest incurred for the current period.

11. SHARE CAPITAL

The share capital of the Group is as follows:

	June 30, 2021	December 31, 2020
Share capital	**2,266,250,900**	2,266,250,900
Additional paid-in-capital	**268,309**	268,309
	2,266,519,209	2,266,519,209

(In Philippine Peso)

Components of share capital are as follows:

	June 30, 2021		2020	
	Shares	**Amount**	Shares	Amount
Authorized share capital				
Ordinary shares at ₱1 par	**3,000,000,000**	**3,000,000,000**	3,000,000,000	3,000,000,000
Subscribed & paid-up				
At the beginning of year	**2,335,000,000**	**2,335,000,000**	2,325,000,000	2,325,000,000
Add: subscription during the year	-	-	10,000,000	10,000,000
Total subscription	**2,335,000,000**	**2,335,000,000**	2,335,000,000	2,335,000,000
Less: subscription Receivable	**(68,749,100)**	**(68,749,100)**	(68,749,100)	(68,749,100)
Total subscribed and paid up at end of the year	**2,266,250,900**	**2,266,250,900**	2,266,250,900	2,266,250,900

The Parent Company's advances from the Ultimate Parent outstanding in 2018 was applied to its unpaid subscription amounting to P 110,000,000. It was resolved and approved during the special meeting of the Board of Directors held on December 9, 2019.

On November 22, 2019, the Ultimate Parent and the Company entered into an agreement, as amended in July 2020 for the subscription of 10,000,000 common shares from the unissued portion of authorized capital stock of the Company, for a total subscription price of P100,000,000.00. Upon payment, the excess of subscription price over the par value in the amount of P90,000,000 shall be treated as additional paid in capital.

Book Value Per Share

Book value per share amounted to P0.058 and P0.036 in June 30, 2021 and December 31 2020, respectively.

Treasury Shares

This consists of 201,500 common shares, stated at acquisition cost of ₱595,111 as of June 30, 2021 and December 31, 2020.

12. GENERAL AND ADMINISTRATIVE EXPENSES

This account consists of:

	June 30, 2021 Current Year (3 Months)	June 30, 2020 Current Year (3 Months)	**June 30, 2021 Current Year (6 months)**	June 30, 2020 Current Year (6 months)
Professional Fees	**1,746,000**	–	**2,518,240**	310,000
Registration Expenses	**1,729,630**	–	**1,729,630**	–
Taxes and Licenses	**5,070,324**	180,000	**5,104,554**	238,274
Advertising and Promotion	**1,516,659**	1,516,659	**3,033,318**	3,033,318
Representation Expense		–		6,000
Office Supplies	**128,357**	–	**128,357**	–
Outside Services	**100,000**	–	**100,000**	–
Meal Expenses	–	–		1,117
Transportation and Travel	–	–	–	380
Depreciation Expense	**3,156**	3,156	**6,312**	6,312
Personnel Costs		–		–
Other Expenses	**57,285**	2,700	**381,008**	264,629
	10,351,411	1,702,515	**13,001,419**	3,860,030

Project development expense pertains to the costs incurred in acquiring services of local management and consulting firm to assist and provide necessary financial advice, project master plan and engineering design in connection with the Group's plan to bid in domestic projects and acquire or invest in entities involved in the ports and infrastructure industries.

Advertising and promotion pertain to the recharges of marketing expenses by Parent Group.

Penalties pertains to accrual of fees and charges of government regulatory agencies such as Philippine Stock Exchange (PSE) and Philippine Securities of Exchange Commission (SEC) on non-compliance in filing of regulatory reports.

Taxes and licences refer to expenses for documentary stamp tax, business permit, and other local taxes and fees.

13. FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES AND OBJECTIVES

Financial Risk Management Objectives and Policies

Overview
The Group's financial instruments consist of cash, advances to related parties, trade and other payables and advances from related parties. The primary purpose of these financial instruments is to finance the Group's operations.

The Group has exposure to the following risks from its use of financial instruments:
- Credit Risk
- Liquidity Risk

Risk Management Framework
The Board has the overall responsibility for the establishment and oversight of the Group's risk management framework.

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

There were no changes in the Group's objectives, policies and processes for managing the risk and the methods used to measure the risk from previous year.

Credit Risk

Credit risk is the risk of financial loss to the Group if a timeshare purchaser or any counterparty to a financial instrument fails to meet its contractual obligations. The Group's credit risk arises principally from the Group's advances to related parties. The Group's exposure to credit risk on advances to related parties is minimal. The management has established a policy for credit risk assessment and collection. The Group manages the level of credit risk it accepts by the following:
- Setting up the exposure limits of each counterparty;
- Determining right of offset, where counterparties are both creditor and debtor
- Monitoring compliance with credit risk policy as well as reviewing the existing risk policy for pertinence and changing environment

The Group also transacts with related companies and it does not require collateral in granting cash advances to these parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group did not have any significant concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date pertains only to cash in banks amounting to ₱306,098,024 and ₱273,649 as of June 30, 2021 and December 31, 2020, respectively.

The Group does not hold any collateral or other credit enhancements to cover this credit risk.

(In Philippine Peso)

Risk Concentration of the Maximum Exposure to Credit Risk

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location. Such credit risk concentrations, if not properly managed, may cause significant losses that could threaten the Group's financial strength and undermine public confidence.

Below are the credit qualities of the Group's financial assets as of June 30, 2021 and December 31, 2020:

June 30, 2021	Neither past due nor impaired					
	High Grade	Standard Grade	Substandard Grade	Past due but not impaired	Impaired	Total
Cash	306,098,024	–	–	–	–	306,098,024
Advances to related party	–	–	–	–	–	–
	306,098,024	–	–	–	–	306,098,024
2019	Neither past due nor impaired					
	High Grade	Standard Grade	Substandard Grade	Past due but not impaired	Impaired	Total
Cash	273,649	–	–	–	–	273,649
Advances to related party	195,000,000	–	–	–	–	195,000,000
	195,273,649	–	–	–	–	195,273,649

High grade accounts are accounts considered to be high value. The counterparties have a very remote likelihood of default and have consistently exhibited good paying habits. Financial assets are current and collectible.

Standard grade accounts are active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues. These accounts are typically not impaired as the counter parties generally respond to credit actions and update their payments accordingly. These financial assets need to be followed up.

Substandard grade accounts are accounts which have a probability of impairment based on historical trend. These accounts show propensity to default in payment despite regular follow-up and extended payment terms.

Impairment Assessment

The Group recognizes impairment losses based on the results of the specific/individual and collective assessment of its credit exposures. Impairment has taken place when there is a presence of known difficulties in the servicing of cash flows by counterparties, infringement of the original terms of the contract has happened, or when there is an inability to pay principal or interest overdue beyond a certain threshold. These and the other factors constitute observable events and/or data that meet the definition of an objective evidence of impairment.

With regard to the collective assessment of impairment, allowances are assessed collectively for losses on receivables that are not individually significant and for individually significant receivables when there is no apparent or objective evidence of individual impairment. A particular portfolio is reviewed on a periodic basis, in order to determine its corresponding appropriate allowances. The collective assessment evaluates and estimates the impairment of the portfolio in its entirety even though there is no objective evidence of impairment on an individual assessment. Impairment losses are estimated by taking into consideration the following deterministic information: (a) historical losses/write offs; (b) losses which are likely to occur but has not yet occurred; and (c) the expected receipts and recoveries once impaired.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet is financial obligations as they fall due at a reasonable cost. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or the counterparty failing on repayment of a contractual obligations; or inability to generate cash inflows as anticipated.

(In Philippine Peso)

The Group manages liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Group's future and contingent obligations in accordance with internal policies. The Group also manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following are the contractual maturities of financial liabilities:

June 30, 2021	Carrying amount	Contractual cash flows	6 months or less	6 – 12 months	Over 1 year
Trade and other payables	9,132,105	9,132,105	9,132,105	–	–
Advances from related parties	358,066,971	358,066,971	358,066,971	–	–
	367,199,076	367,199,076	367,199,076	–	–

2020	Carrying amount	Contractual cash flows	6 months or less	6 – 12 months	Over 1 year
Trade and other payables	8,767,106	8,767,106	8,767,106	–	–
Advances from related parties	75,769,251	75,769,251	75,769,251	–	–
	84,536,357	84,536,357	84,536,357	–	–

It is not expected that the cash flows included in the maturity analysis above could occur significantly earlier, or at significantly different amounts.

Fair Value of Financial Instruments

The Group measures financial instruments and non-financial assets at fair value at each reporting date. Due to short-term nature of the transactions, the fair value of cash, and other receivables and other payables reasonably approximate the amount of consideration at the time of initial recognition.

Fair Value Hierarchy

The Group uses the following hierarchy in determining the fair value of financial instruments by valuation technique:

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

Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group sets strategies with the objective of establishing a sound capital structure. The Group defines capital as capital stock and deficit.

Management has overall responsibility for monitoring capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Group's external environment and the risks underlying the Group's business, operation and industry.

(In Philippine Peso)

The Group's debt to equity ratio at the reporting dates are as follows:

	June 30, 2021	December 31, 2020
Total liabilities	367,199,076	84,536,357
Total equity	149,405,476	143,806,845
Debt to equity ratio	2.458: 1	0.587: 1

The Group is not subject to externally imposed capital requirements.

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

During the year, the Group expanded its business through investing in corporations engaged in ports and in different infrastructure projects particularly in Iligan, Ozamiz and Zamboanga.

Analysis of Financial Condition and Results of Operations

As of June 30, 2021

The following table shows the consolidated financial highlights of the Corporation for the quarterly ending June 30, 2021 and June 30, 2020 for the Results of Operations and its Financial Condition as of June 30, 2021 and December 31, 2020:

	June 30, 2021	June 30, 2020
Income Statement Data		
Total Revenue		-
Gross Profit		-
Earnings Before Interest and Tax (EBIT)	(10,351,393)	(3,860,005)
Net Income (Loss)	(10,351,393)	(3,860,005)
Depreciation	3,156	3,156
Taxes	-	-
Interest Expense	-	-
Balance Sheet Data	**June 30, 2021**	**December 31, 2020**
Total Current Assets	490,713,801	202,446,139
Prepayments – Non-Current	19,636,627	19,636,627
Property and Equipment - net	4,224	10,536
Investments in Stocks	6,249,900	6,249,900
Total Assets	516,604,552	228,343,202
Current Liabilities	367,199,076	84,536,357
Total Liabilities	367,199,076	84,536,357
Stockholders' Equity	149,405,476	143,806,845
Total Liabilities & Stockholders' Equity	516,604,552	228,343,202
Current Ratio	1.336	2.395
Solvency Ratio	0.711	0.370
Debt to Equity Ratio	2.458	0.587
Interest rate coverage ratio	-	-
Gross Profit Margin	0%	0%
Net Profit Margin	0%	0%

Based on the above table the following are key performances indicators of the Corporation for June 30, of 2021 and December 31, 2020:

(a) ***Working Capital Ratio or Current Ratio*** – This will measure how liquid the corporation is and its ability to meet its current obligations. It is computed by dividing total current assets with the total current liabilities.

(b) ***Debt Management Ratio or Solvency Ratio*** – This is computed by dividing the total liabilities by the total assets.

(c) ***Debt Equity Ratio*** – This will explain the relationship between how the assets were financed by the Corporation's creditors and its stockholders. This is computed by dividing the total liabilities over the stockholder's equity.

(d) ***Interest Rate Coverage Ratio*** – A ratio used to determine how easily a company can pay interest on outstanding debt. The interest rate coverage ratio is calculated by dividing the Company's earnings before interest and taxes (EBIT) of one period by the company's interest expense of the same period.

(e) ***Gross Profit Margin*** – Gross profit margin (gross margin) is the ratio of gross profit (gross sales less cost of sales) to sales revenue. It is the percentage by which gross profit exceeds production costs. Gross margin reveals how much a company earns taking into consideration the costs that it incurs for producing its products or services.

(f) ***Net Profit Margin*** – Net profit margin (or profit margin, net margin) is a ratio of profitability calculated as after-tax net income (net profits) divided by sales (revenue). Net profit margin is displayed as a percentage. It shows the amount of each sale left over after all expenses have been paid.

Change in Operating Results – June 30, 2021 vs June 30, 2020

The Parent Company, Globalport 900, Inc. (G900) and its subsidiary, Harbour Centre Port Holdings, Inc. (HCPHI) has no commercial operation. The HCPHI and G900's non-commercial operations for the period ended June 30, 2021 resulted to a net loss of P 13,001,384.