

COVER SHEET

MA-045

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SEC Registration Number

F I L S Y N C O R P O R A T I O N A N D S U B S I D I A R I E S

(Company's Full Name)

U N I T 8 5 B P E A R L B A N K C E N T R E 1 4 6 V A L E R O S T . M A K A T I C I T Y

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

Mr. Apolinario L. Posio Contact Person

8652-5167 Company Telephone Number

SEC FORM 17-Q MARCH 31, 2023

12 31 Month Day Fiscal Year

Month Day Annual Meeting

Not Applicable Secondary License Type, if Applicable

Dept. Requiring this Doc.

Not Applicable Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = please Use Black Ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17
OF THE SRC AND SRC RULE 17 (2) (B) THEREUNDER

1. For the quarterly period ended March 31, 2023
2. Commission identification number 35841
3. BIR Tax Identification No. 000-158-664-000
4. Exact name of registrant as specified in its charter FILSYN CORPORATION
5. Province, country or other jurisdiction of incorporation or organization Makati City, Philippines
6. Industry Classification Code (SEC Use Only)
7. Address of registrant's principal office Unit 8 5B Pearlbank Centre
146 Valero St., Salcedo Village, Makati City 1227
8. Registrant's telephone number, including area code (02) 8652-5167
9. Securities registered pursuant to Sections 8 and 12 of the SRC
- | | Number of shares of common
Title of each Class stock outstanding |
|----------------|---|
| Class A Common | <u>123,747,707 shares fully paid</u> |
| Class B Common | <u>82,498,474 shares fully paid</u> |
10. Securities listed in the PSE 206,246,181 shares

FINANCIAL INFORMATION

Please see attached Financial and Management Reports.

SIGNATURES


Pursuant to the requirement of Section 17 of the SRC Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati City on MAY 15 2023.


APOLINARIO L. POSIO
Senior Vice President / Chief Financial Officer

MAKATI CITY
SUBSCRIBED AND SWORN to before me this MAY 15 2023 affiant exhibiting to me his Government Issued ID, as follows:

<u>Name</u>	<u>Driver's License #</u>	<u>Date Issued</u>	<u>Expiry Date</u>
Apolinario L. Posio	N0173031618	Nov. 12, 2021	Nov. 30, 2031

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Page No. 69
Book No. ~~8801~~
Series of 2027.


ATTY. GERIACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2024
IBP No. 05729-Lif-time Member
MCLE Compliance No. VI-0024312
Appointment No. M-39 (2023-2024)
PTR No. 9563522 Jan. 3, 2023
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

FILSYN CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(IN P000)	(Unaudited)		Audited	
	March 31		December 31	
	2023		2022	
ASSETS				
Current Assets				
Cash and cash equivalents	P	77,855	P	89,351
Trade receivables		2,487		1,945
Inventories		111,298		109,429
Prepayments and other current assets – net		12,506		21,291
Total Current Assets		204,146		222,016
Noncurrent Assets				
Investment properties - at deemed cost		918,167		918,167
Property and equipment, net		764,727		828,011
Retirement plan assets		26,518		26,518
Advances to contractors		18,710		11,332
Other noncurrent assets		226		–
Total Noncurrent Assets		1,728,348		1,784,028
TOTAL ASSETS	P	1,932,494	P	2,006,044
LIABILITIES AND CAPITAL DEFICIENCY				
Current Liabilities				
Accounts and other payables	P	739,449	P	756,890
Loans payable		668,584		638,395
Current portion of long-term debt		1,097,398		1,097,398
Due to related party		6,100		6,000
Dividends payable		156		156
Income tax payable		1,026		1,072
Total Current Liabilities		2,512,713		2,499,911
Noncurrent Liability				
Deferred tax liabilities		118,640		118,640
Deposit for future stock subscription		232,830		250,898
Total Noncurrent Liabilities		351,470		369,538
Total Liabilities		2,864,183		2,869,449
Capital Deficiency Attributable to Equity Holders of the Parent				
Capital stock		1,031,231		1,031,231
Additional paid-in capital		143,590		143,590
Remeasurement loss on retirement plan assets – net		(1,538)		(1,538)
Cumulative translation adjustment		(95,517)		(47,358)
Deficit		(1,993,391)		(1,973,191)
		(915,625)		(847,266)
Non-controlling Interests		(16,064)		(16,139)
Total Capital Deficiency		(931,689)		(863,405)
TOTAL LIABILITIES AND CAPITAL DEFICIENCY	P	1,932,494	P	2,006,044

FILSYN CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2023 AND 2022
(P000)**

		2023 (Unaudited)			2022 (Unaudited)	
		This Quarter	Year-to-Date		This Quarter	Year-to-Date
REVENUES	P	10,027	10,027	P	17,614	17,614
COST AND EXPENSES:						
OPERATING EXPENSES		21,782	21,782		13,498	13,498
FINANCIAL CHARGES - Net		8,451	8,451		5,954	5,954
		30,233	30,233		19,452	19,452
NET INCOME (LOSS)	P	(20,206)	(20,206)	P	(6,504)	(6,504)
TOTAL NUMBER OF SHARES ISSUED & OUTSTANDING		206,246	206,246		206,246	206,246
INCOME (LOSS) PER SHARE	P	(0.09797)	(0.09797)	P	(0.03153)	(0.03153)

FILSYN CORPORATION AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF CHANGES IN CAPITAL DEFICIENCY
FOR THE PERIOD ENDED MARCH 31, 2023 and 2022
(P000)**

			2023		2022	
			(Unaudited)		(Unaudited)	
CAPITAL STOCK – P5 par value						
Class A:						
Authorized	-	144,000,000 shares				
Issued	-	123,747,707 shares	P	618,739	P	618,739
Class B:						
Authorized	-	96,000,000 shares				
Issued	-	82,498,494 shares		412,492	412,492	
				<u>1,031,231</u>	<u>1,031,231</u>	
ADDITIONAL PAID-IN CAPITAL				<u>143,590</u>	<u>143,590</u>	
Remeasurement loss on retirement plan asset				<u>(1,538)</u>	<u>(1,300)</u>	
Cumulative translation adjustment				<u>(95,517)</u>	<u>-</u>	
DEFICIT						
Balance, beginning			1,973,191		1,912,779	
Net (income) loss for the period – attributable to parent			20,200		6,512	
			<u>1,993,391</u>		<u>1,919,291</u>	
NON-CONTROLLING INTEREST				<u>(16,064)</u>	<u>(16,148)</u>	
TOTAL CAPITAL DEFICIENCY			P	<u>(931,689)</u>	P	<u>(761,918)</u>

FILSYN CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2023 AND 2022
(P000)

		2023 (Unaudited)		2022 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income (loss)	P	(20,200)	P	(6,503)
Decrease (Increase) in:				
Prepayments and other current assets		(10,015)		(16,271)
Other assets		8,785		3,840
Increase (Decrease) in:				
Trade and other payables		(17,312)		23,176
Net cash flows from operating activities		(38,742)		4,242
CASH FLOWS FROM INVESTING ACTIVITY				
Acquisition of property, plant and equipment		63,284		-
		63,284		-
CASH FLOWS FROM FINANCING ACTIVITY				
Proceeds from loan from bank		30,189		-
Proceeds from deposit for future stock subscriptions		-		232,830
		30,189		232,830
EFFECT OF EXCHANGE RATE CHANGES^p		(66,227)		-
NET INCREASE IN CASH		(11,496)		237,072
CASH AT BEGINNING OF THE PERIOD		89,351		54,646
CASH AT END OF THE PERIOD	P	77,855	P	291,718

FILSYN CORPORATION
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2023

CORPORATE INFORMATION

FILSYN Corporation (the Parent Company) was incorporated and registered with Philippine Securities and Exchange Commission (SEC) on July 22, 1968 and is domiciled in the Republic of the Philippines. The Parent Company's shares are publicly listed with the Philippine Stock Exchange (PSE) but trading of which have been suspended. The Parent Company's primary purpose is to carry on the business of making, manufacturing, preparing, dyeing, processing, treating, finishing, and converting all kinds of fibers, filaments, and materials, whether polyester, nylon, acrylic, rayon, cotton, wool, silk, hemp, flex and jute, and to make, manufacture, produce, raise, prepare, process, purchase, or otherwise acquire, and to hold, own, use, sell at wholesale, import, export, dispose of or otherwise trade or deal in with, such fibers, filaments and materials, any and all kinds of yarns, threads, textiles, fabrics, cloth, and other goods and components spun, woven, knit or made in whole or in part of such fibers, filaments, or materials, or any of them, and all other articles, products, chemicals and substances related thereto or of a like or similar nature or which may enter into manufacture of any of the foregoing or which may be used in connection therewith.

The registered office address of the Parent Company is Unit 8, 5B The Pearlbank Centre, 146 Valero St., Salcedo Village, Makati City.

The consolidated financial statements include the following subsidiaries of the Parent Company which are all incorporated in the Philippines.

<u>Subsidiaries</u>	<u>Nature of Business</u>
FYN Green PET Corporation	Manufacturing
Island King Aquaventures Corporation	Leasing
SRTC Development Corporation	Under liquidation

IKAC was registered with the Philippine SEC on September 15, 1986 primarily to engage in the business of aquaculture and undertake any and all related activities necessary, incidental and related thereto. The registered office address of the Company is Unit 8, 5B The Pearlbank Centre, 146 Valero St., Salcedo Village, Makati City.

SRTC was registered with the Philippine SEC on April 30, 1992 primarily to acquire by purchase, lease, donation or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease and hold for investment or otherwise, real estate of all kinds, and to improve, manage or otherwise dispose of buildings, houses, apartments and other structures of whatever kind, together with their appurtenances. The registered office address of the Company is Unit 8, 5B Floor, Pearl Bank Centre, 146 Valero St., Salcedo Village, Makati City.

FYN Green was registered with the Philippine SEC on June 6, 2019 primarily in recycling of waste Polyethylene Terephthalate (PET) bottles into resin to be used as feedstock for manufacture of Filament and Food Grade Chip. The registered office address of the Company is First Cavite Industrial Estate, Lot 2, Block 1, Phase 2, Langkaan II Dasmarinas City, Cavite .

The foregoing companies are collectively referred to as "the Group".

BASIS OF PREPARATIONS AND STATEMENT OF COMPLIANCE

Basis of Preparation

The accompanying interim financial statements as of March 31, 2023 have been prepared under the historical cost basis. These statements are presented in Philippine peso which is the company's functional and presentation currency under the Philippine Financial Reporting Standard (PFRS). All values are in (P000).

Statement of Compliance

- The accompanying interim financial statements are presented in compliance with PFRS.
- The accounting policies and methods adopted in said interim financial statements are the same as those in the annual financial statements for the year ended December 31, 2022.
- The adoption of PAS 34 in the interim financial statements did not have any material impact on the financial position or performance of the company.
- That the company is still not in commercial operation.
- There were no transactions unusual in nature, size or incidents during the period that will have a material effect in the interim financial statements.
- There were no issuances, repurchases, and repayment of debts and equity securities.
- There were no dividends declared/paid during the period.
- There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.
- There were no changes in the composition of the issuer during the interim period.
- There were no changes in contingent liabilities and contingent assets since December 31, 2022.
- There were no material contingencies and any other credits or transactions existing that will materially affect the interim financial statements for the period ended March 31, 2023.
- The main sources of funds consist mainly of warehouse rental income.

MANAGEMENT DISCUSSION & ANALYSIS OF OPERATION

Filsyn Corporation continued to generate income mainly from warehouse rentals and sale of equipment which was sufficient to cover all expenses, hence, there was no need for any outside financing to sustain its operations.

The Company's losses for the last three (3) years were due to non-commercial operations. The Company has no plan yet to resume commercial operations. In view of the non-commercial operation of the Company for the last three (3) years, there were no material key variable and other qualitative and quantitative factors nor performance indicators nor any major risks to consider.

There can be no comparable discussions to assess material changes during the last three (3) years because of the non-commercial operation of the Company.

There were no events during the last three (3) years that will trigger direct or contingent financial obligation that was material to the Company. There were for the last three (3) years no material, off-balance sheet, transactions, arrangements, obligations (including contingent obligations) nor any other relationships with unconsolidated entities or other persons. There were no material commitments for capital expenditures.

The Company can satisfy its cash requirement for the next 12 months. The Company will not raise additional funds in the next 12 months.

The Company has no product research and developments for the term of the plan.

The Company will not purchase any plant or equipment within the next 12 months.

The Company does not expect any significant changes in the number of employees. There are no seasonal aspects that have material effect to the financial statements.

The main concern of the Company up to now is how to settle the debt issue.

On December 10, 2009, the BOD of the Company approved to offer the property in Sta. Rosa, Laguna as dacion in payment of the entire obligation to Chinatrust, and in case of the latter's acceptance, to offer to manage the property in trust, in consideration of management fees and trustee fees, until such time as maybe agreed by the parties.

On November 2, 2010, Chinatrust accepted the proposal of the Company to fully settle its outstanding loan obligation amounting to P1.2 billion through the Sta. Rosa property as dacion in payment. Chinatrust agreed that the group shall not be liable for any deficiency between the amount of the outstanding loan obligation and the value of the Sta. Rosa property. The "Dacion En Pago" did not materialize and the ownership of the loan was transferred to Chuan Yuan Limited, a Company incorporated in Taiwan. Chuan Yuan Limited became the creditor of the first and

second MTI. Chuang Yuan Limited later sold the loan to Malaysia Garment Manufacturers (Pte) Ltd. (Malaysia Garments), a Company incorporated in Singapore, a related party.

On October 24, 2016, the PSE has issued a letter to the Company on the subject: Negative Stockholders' Equity and SEC Order of Revocation requesting for update on the following items:

- Settlement of outstanding loan obligations amounting to P1.2 billion through the Sta. Rosaproperty as dacion;
- Discussions/negotiations with real estate companies for potential joint venture arrangement over the property to develop the 30 hectares (ha.) property located at Sta. Rosa, Laguna;
- Discussions/negotiations regarding the sale of the property located in Gen, Malvar Alvarez, Cavite City; and
- SEC Order of Revocation dated August 26, 2002.

On December 12, 2016, the Group responded to the PSE that discussions are ongoing on the first three items above with the appropriate parties. Management believes that the development of the land in Sta. Rosa Laguna will increase its value and bring the Group's equity from negative to positive.

In September 2017, the Board of Directors (BOD) and stockholders of the Parent Company approved a business plan, which consists of the following phases:

- Financial restructuring subject to Philippine SEC approval;
- Development of the Sta. Rosa property; and
- A new business activity of recycling Polyethylene Terephthalate (PET) to be registered with the Philippine Economic Zone Authority

In relation to the financial restructuring, in September 2018, the BOD approved the following:

- A. Amendment of the Seventh Article of the Parent Company's Articles of Incorporation (AOI) to reflect the following:
 - i. Reduction of par value from P5.00 per share to P2.50 per share
 - ii. Creation of Preferred Shares with the following features:
 - Pre-Emptive Right – Right to subscribe to the same proportion of shares in case of issuance of new shares
 - Preference in Distribution of Dividends – Right to receive fixed dividends (5% of total debt converted), cumulative dividends and right to receive profit-participating stocks
 - Veto Right – Right to veto the development of Sta. Rosa property such that the development project of said land must be approved by Preferred shareholders
 - Exercise of voting right – The Preferred shareholders shall not have a right to vote, except on matter specific in Section Six of the Corporation Code of the Philippines and those relative to the development of Sta. Rosa Property and
 - Convertible to Common Shares – Right to convert preferred shares to common shares using 16.78:1 conversion ratio at P=2.50 per share
 - iii. Reclassification of 33,426,498 Common Shares (Class B) to Preferred Shares

B. Conversion of debt to equity

On February 18, 2018, the Commission en Banc resolved to lift the Order of Revocation. The lifting of the Order of the Revocation directed the Parent Company to amend its Registration Statement to reflect any prior changes prior to restatement of its registration statement and permit to sell securities.

On September 20, 2018, the BOD formally authorized the filing of the Amended Registration Statement with the SEC which was filed on October 30, 2018.

On July 23, 2019, the Parent Company filed its application for amendment of AOI with the SEC. On September 25, 2019, The SEC provided their initial comments on the application for amendment of AOI.

On November 11, 2021, the BOD approved the further amendments in the Seventh Article of the AOI which revoked and superseded September 21, 2018 resolutions approving the amendments to the Seventh Article of the AOI. The BOD approved the following:

1. Decrease in Authorized Capital Stock and Reclassification or Conversion of 33,426,498 Class B Shares into 33,426,498 Preferred Shares

This include the following approvals of the BOD:

- a. Reduction in the par value of all common shares from P5.00 per share to P0.50 per share,
- b. Decrease in the authorized capital stock from P1,200,000,000 to P120,000,000,
- c. Classification of capital contributed in excess of the reduced par value as additional paid in capital, and
- d. Reclassification of the 33,426,498 Class B common shares held by Malaysia Garment Manufacturers (Pte) Ltd. (Malaysia Garments), a company incorporated in Singapore and a related party, into 33,426,498 Preferred Shares with the following features:
 - i. Preemptive Right – The Preferred Shareholders shall have preemptive rights to subscribe to new shares in proportion to their respective shareholding ratios
 - ii. Dividends – The Preferred Shareholders shall bear preferential dividends at the rate of 5% per annum of total debt converted in the amount of P1,389,961,828.
 - iii. Exercise of Voting Right – The Preferred Shareholders shall not have a right to vote, except on matters specified in Section 6 of the Revised Corporation Code of the Philippines and those relative to the development of the Sta. Rosa Property; and
 - iv. Convertibility – The Preferred Shareholders shall, at their option, have the right to convert their preferred shares to common shares using 16.78:1 conversion ratio at P0.50 per share.

2. Increase in Capital Stock

The BOD approved the increase of the Parent Company's authorized capital stock from P120,000,000 to P647,306,477 which consists of:

- a. 440,229,812 Class "A" common shares with par value of P0.50 per share, or an aggregate par value of P220,114,906;

- b. 293,486,507 Class “B” common shares with a par value of P0.50 per share, or an aggregate par value of P146,743,253.50; and
- c. 33,426,498 Preferred Shares, with a par value of P8.39 per share (increased from P0.50), or an aggregate par value of P280,448,318, with Malaysian Garments subscribing to the increase in the par value of the 33,426,498 Preferred Shares amounting to P263,735,069 by way of converting debt owed to it by the Corporation as of December 31, 2020 amounting to P1,389,961,828 to equity, with the excess of the debt over the par value of preferred shares recorded as Additional Paid In Capital

The BOD also approved the subscription by Malaysian Garments to the increase in the par value of the 33,426,498 Preferred Shares, and the conversion of debt owed to it by the Parent Company as of December 31, 2020 amounting to P1,389,961,828 to equity as payment for the aforesaid 33,426,498 Preferred Shares with the excess of the debt over the par value of preferred shares recorded as Additional Paid In Capital.

3. Use of Additional Paid in Capital to Wipe Out Deficit

The BOD approved the use of the Additional Paid In Capital resulting from: (a) the existing Additional Paid in Capital; (b) the decrease of capital through the reduction of par value; and (c) the conversion of the existing liability to Malaysian Garments to wipe out all the accumulated deficit of the Parent Company.

On November 11, 2021, management filed the final restructuring project to SEC. Prior to submission of the project, management has already agreed the conversion of debt with its creditors and legal counsel. Management is securing all the necessary documents such as Deed of assignment to creditor and Director’s certificate to support the final restructuring by SEC.

On May 30, 2022, a deed of assignment on the loan was entered between Malaysia Garment and the Parent Company in which the former unconditionally and irrevocably assigns, cedes, transfers and conveys unto the Parent Company all of its title, right and interests to receive the payment for the debt as payment for the subscription price, thereby converting the debt into equity. The debt-to-equity conversion is yet to be executed as at April 28, 2023.

In addition, the related parties, Malaysia Garments and Trans-Pacific Oriental Holding Company, Inc. (Trans-Pacific), have undertaken to support the Parent Company financially by not demanding payment of loans due to the former. Further, the Group will address its working capital requirements from the cash flows generated from its operations. Accordingly, the financial statements have been prepared on a going concern basis.

On March 29, 2023, management completed all the aforementioned documents required by the SEC. On April 4, 2023, the Parent Company was notified by the SEC that it is ready to issue its assessment on the planned restructuring project upon issuance of the SEC-Markets and Securities Regulation Department (MSRD) clearance, subject to the submission of remaining requested document. Thereafter, a Payment Request Form will then be issued to the Parent Company, which will signify acceptance of the SEC on the application to proceed with filing.

Notice of Involuntary Delisting

On February 3, 2023, the Parent Company received a Notice of Involuntary Delisting from the Philippine Stock Exchange (PSE).

On April 3, 2023, representatives of the Parent Company participated in a hearing conducted by the Exchange relating to the involuntary delisting proceedings involving the Parent Company. The Parent Company then requested the Exchange that the involuntary delisting proceedings be suspended; and it be allowed to complete the requirements for its amended registration statement and application for the financial restructuring plan with the Securities and Exchange Commission until the end of 2023.

The grounds for the initiation of involuntary delisting proceedings involving Parent Company are due to the (a) revocation of its registration of securities and permit to sell securities; and (b) negative stockholders' equity.

In the said hearing, the Parent Company raised the following arguments:

- a. There was no obstinate refusal on the part of the Parent Company to comply with the directives of the Exchange and the Securities and Exchange Commission ("SEC").
- b. The Parent Company, in utmost good faith, exerted serious efforts to comply with the SEC directives. All the corporate actions of Parent Company on the matter were timely and promptly disclosed to the Exchange.
- c. The SEC-Markets and Securities Regulation Department ("MSRD") will only act on the Parent Company's amended registration statement after the approval of the Parent Company's financial restructuring plan being reviewed by the SEC- Financial Analysis and Audit Division ("FAAD").
- d. The Parent Company will file its amended registration statement after it secures the SEC's approval of its financial restructuring plan. Thereafter, the Parent Company will request SEC-MSRD to issue the corresponding Order Lifting the Order of Revocation dated August 26, 2002 against the Parent Company.
- e. The conversion of the Parent Company's obligation to one of the Corporation's major creditors, Malaysia Garment Manufacturers Pte. Ltd, amounting to One Billion Three Hundred Eighty-Nine Million Nine Hundred Sixty-One Thousand Eight Hundred Twenty-Eight Pesos (P1,389,961,828.00) into equity has effectively wiped-out the deficit amounting to Six Hundred Eighty-Nine Million Thirty-One Thousand One Hundred Forty-Six Pesos (P689,031,146.00). The debt-to-equity conversion is part of the financial restructuring plan being carried out by the Parent Company. The deficit would have been wiped-out had the SEC-FAAD approved the Parent Company's financial restructuring plan.
- f. The involuntary delisting will be prejudicial to the Parent Company's stockholders who have been expecting that the trading suspension will be lifted soon and the financial restructuring plan approved in light of the actions being actively undertaken by the Parent Company.
- g. In 2019, parallel to its efforts to solve its capital deficiency, the Parent Company incorporated FYN Green PET Corporation ("FYGP"), a 100% wholly owned subsidiary, to provide cash flow and steady stream of revenues. FYGP will commence its commercial operations in May 2023.

The Parent Company therefore requested the Exchange that the involuntary delisting proceedings be suspended; and it be allowed to complete the requirements for its amended registration statement and application for the financial restructuring plan with the Securities and Exchange Commission until

the end of 2023.

Subsidiaries

Beginning 2012, IKAC ceased its normal operations as a producer of prawns and bangus and started renting out its investment property. The AOI of IKAC states that IKAC may purchase or lease, or otherwise, lands and interest in lands and building; own, hold, improve, develop and manage any real estate so acquired and erect or cause to be erected buildings or other structures with their appurtenances on any lands owned, held or occupied by the corporation; rebuild, enlarge, alter or improve any buildings or other structures now or hereafter erected on any lands so owned, held or occupied; mortgage, sell, lease, or otherwise dispose in any stores, shops, suites, rooms or part of any buildings, or other structures, at any time owned or held by the corporation as one of its secondary purposes.

SRTC has never started commercial operations. In April 2000, SRTC sold its primary asset, a 40 ha. Property in Sta. Rosa, Laguna, to Greenfield Development Corporation. SRTC used the proceeds of the said sale to settle its bank loans, pay substantially all its other liabilities and distribute advance liquidating dividends. On September 25, 2014, the stockholders approved the amendment of SRTC's AOI to shorten its life until December 31, 2014. Final liquidation will take place after approval of SRTC's liquidation application with the Philippine SEC. As at April 28, 2023, SRTC is in the process of accomplishing requirements needed for the cancellation of its registration with Bureau of Internal Revenue and Philippine SEC.

On June 6, 2019 and May 21, 2020, FYGP was registered with the SEC and PEZA as Ecozone Enterprise, respectively. In 2020, FYGP acquired land and building to be used in its future operations. On March 14, 2023, FYGP submitted to PEZA its certification for the Start of Commercial Operation (SCO) which was approved on May 5, 2023.