

SEC Number **37535**
File Number _____

ATN HOLDINGS, INC.

(Company)

**9th Floor, Summit One Tower,
530 Shaw Blvd., Mandaluyong**

(Address)

717-0523

(Telephone Number)

March 31

(Fiscal Year Ending)
(month & day)

SEC 17Q

(Form Type)

Amendment Designation (if applicable)

September 30, 2023

(Period Ended Date)

(Secondary License Type and File Number)

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 September 30, 2023
2. Commission identification no. 37535 3.BIR Tax Identification No. 005-056-869
4. ATN Holdings, Inc. (the "Company")
5. Philippines
6. Industry Classification Code:
7. 9th Floor, Summit One Tower, 530 Shaw Blvd., 1550 Mandaluyong City
8. Telephone No.7717-0523
9. The Company did not change its name, address or fiscal year during the period covered by this report.
10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Stock, P.01	
Class "A"	4,025,055,429
Class "B"	2,800,000,000

11. These securities are not all listed on the Philippine Stock Exchange.
 - (a) The company 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 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)
 - (b) The company has been subject to such filing requirements for the past ninety (90) days.

I. Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries**CONSOLIDATED FINANCIAL POSITIONS**

	Notes	Unaudited 30-Sep 2023	Audited 31-Mar 2023
ASSETS			
Current Assets			
Cash	7 P	2,580,310	P 5,190,128
Trade receivables	8	1,886,957	6,907,302
Inventories	9	35,802,556	21,671,838
Other current assets	10	11,340,865	10,807,488
		51,610,688	44,576,756
Noncurrent assets			
Investment in:			
Financial Assets - Fair value through other comprehensive income FV(OIC)	11	27,430,000	27,430,000
Associates - net	12	851,593,067	851,593,067
Investment properties	13	349,667,279	349,667,279
Property and equipment - net	14	2,430,527,853	2,425,888,340
Due from related parties	21	44,390,041	61,521,707
Trust funds		2,389,379	2,389,379
		3,705,997,619	3,718,489,772
		P 3,757,608,307	P 3,763,066,528
LIABILITIES AND EQUITY			
LIABILITIES			
Current Liabilities			
Accounts payable and accrued expenses	15 P	3,129,205	P 4,070,116
Short-term interest bearing loans	16	44,303,000	44,353,000
		47,432,205	48,423,116
Noncurrent Liabilities			
Deposits	17	16,146,926	16,091,419
Due to related parties	21	404,641,075	405,058,507
Pension liability		476,364	476,364
Deferred tax liabilities		711,351,786	711,351,786
		1,132,616,151	1,132,978,076
TOTAL LIABILITIES		1,180,048,356	1,181,401,192
EQUITY			
Share capital	18	682,505,543	682,505,543
Additional paid-in capital		256,319,963	256,319,963
Unrealized loss on financial assets at fair value through OCI-net of tax		5,189,939	5,189,939
Retained Earnings		1,633,544,506	1,637,649,891
		2,577,559,951	2,581,665,336
		P 3,757,608,307	P 3,763,066,528

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Quarter Ending		Six (6) Months Ending	
	30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22
REVENUE				
Sales of aggregates	P461,820	P6,833,707	P6,454,950	P15,950,616
Lease of properties	1,489,654	1,226,040	3,779,690	3,941,871
Interest income	444	3,556	2,441	6,614
	1,951,918	8,063,303	10,237,081	19,899,101
COST AND EXPENSES				
Cost of sales and services	641,913	5,040,813	6,153,788	11,937,084
Administrative expenses - Note 23	1,983,803	2,752,735	6,450,551	9,261,374
Finance cost	1,026,108	499,895	1,682,246	1,356,834
	3,651,824	8,293,443	14,286,584	22,555,292
INCOME (LOSS) BEFORE INCOME TAX	(1,699,906)	(230,140)	(4,049,504)	(2,656,191)
INCOME TAX EXPENSE	455	53,673	55,881	103,038
TOTAL COMPREHENSIVE INCOME (LOSS)	(P1,700,362)	(P283,813)	(P4,105,385)	(P2,759,229)
EARNINGS PER SHARE			(0.0006)	(0.0004)

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Six (6) Months Ending	
	30-Sep-23	30-Sep-22
Share Capital	P682,505,543	P682,505,543
Share Premiums	256,319,963	254,879,499
Unrealized loss on available-for sale financial asset - net of tax	5,189,939	23,994,939
Retained earnings (deficit)		
Balance at beginning of fiscal year	1,637,649,891	1,640,796,271
Net income (loss) for the period	(4,105,385)	(2,759,229)
Balance at end of the year	1,633,544,506	1,638,037,042
	P2,577,559,951	P2,599,417,023

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. and Subsidiaries**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Quarter Ending		Six (6) Months Ending	
	30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before tax	(P1,699,906)	(P230,140)	(P4,049,504)	(P2,656,191)
Adjustments for:				
Depreciation and amortization	1,403,306	1,231,432	3,381,796	2,578,224
Interest income	(4,438)	(3,556)	(2,441)	(6,614)
Interest expense	1,026,108	499,895	1,682,246	1,356,834
Operating income before working capital change	725,070	1,497,631	1,012,098	1,272,253
Decrease (increase) in current assets				
Trade receivables	194,949	412,844	5,020,345	1,364,964
Inventories	(8,161,668)	1,903,537	(14,130,718)	(4,203,419)
Other current assets	(412,579)	(55,196)	(533,377)	(396,721)
Increase (decrease) in current liabilities				
Accounts payable and accrued expense:	(354,577)	(397,799)	(940,911)	(1,634,261)
Cash (used in) provided by operations	(8,008,805)	3,361,017	(9,572,563)	(3,597,184)
Interest received	4,438	3,556	2,441	6,614
	(8,004,367)	# 3,364,573	(9,570,122)	(3,590,570)
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in:				
Due from related party	16,638,807	(6,772,407)	17,075,785	7,861,647
Acquisition of:				
Property and equipment	(1,187,935)	(2,857,143)	(8,021,309)	(11,160,714)
Increased (decreased) in deposits	(10,694)	316,131	55,507	(1,342,805)
	15,440,178	(9,313,419)	9,109,983	(4,641,872)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of short-term loan:				
Principal	-	(2,647,000)	(50,000)	(2,647,000)
Interest	(1,026,108)	(499,895)	(1,682,246)	(1,356,834)
Due to related parties	(5,829,421)	9,031,097	(417,432)	9,034,654
	(6,855,529)	5,884,202	(2,149,678)	5,030,820
NET INCREASE/(DECREASE) IN CASH	580,281	(64,644)	(2,609,818)	(3,201,622)
CASH AT BEGINNING OF PERIOD			5,190,128	16,099,477
CASH AT END OF PERIOD			P2,580,310	P12,897,855

See accompanying Notes to Financial Statements.

ATN HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 and FY MARCH 31, 2023

1. Corporate Information

ATN Holdings, Inc. (*ATN, the Parent or the Group*) was registered with the Securities and Exchange Commission (SEC) on February 12, 1969 under the name Jabpract Mining and Industrial Corporation. On March 14, 1996, Jabpract Mining and Industrial Corporation changed its corporate name to ATN Holdings, Inc. and its primary and secondary purposes were amended to enable it to perform the acts of a holding Group. On November 10, 2016, the Group's articles of incorporation was amended extending its corporate life for another fifty (50) years from February 12, 2019. The amendment was approved by the SEC on November 21, 2016.

The common shares of ATN are listed and traded on the Philippine Stock Exchange. The registered office address of ATN is 9th Floor Summit One Tower Bldg., 530 Shaw Blvd., Mandaluyong City. ATN Holdings, Inc. has no ultimate Parent Company.

2. Statement of Compliance and Basis of Preparation and Presentation

Statement of Compliance

The consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) issued by the Philippine Financial Reporting Standards Council including SEC pronouncements.

Basis of Financial Statement Preparation and Presentation

The accompanying consolidated financial statements of the Parent Company and Subsidiaries (*the Group*) have been prepared in accordance with Philippine Financial Reporting Standards on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) and investment properties that have been measured at fair values.

The consolidated financial statements are presented in Philippine Peso, which is the Group's functional currency. All values represent absolute amounts except when otherwise indicated.

Principle for Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and those of the subsidiaries. The reporting dates of the subsidiaries are December 31. A parent controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with a subsidiary and has the ability to affect those returns through its power over the subsidiary. Specifically, control is achieved if and only if the Parent Company has the following;

- (i) Power over the investee;
- (ii) Exposure rights, to variable returns from its involvement with the subsidiary; and
- (iii) The ability to use its power over the investee to affect the amount of the Parent Company's returns.

The parent reassesses whether or not it controls a subsidiary if facts and circumstances indicates that there are changes to one or more of the three elements of control.

As of September 30, 2023 and FY March 31, 2023, the consolidated subsidiaries are as follows:

Subsidiary	Principal place of business	Principal Activity	% of Ownership
Palladian Land Development, Inc. (PLDI)	Marbella Bldg. Roxas Blvd, Pasay	Real Property Developer	100%
Advanced Home Concept Development Corporation (AHCDC)	Summit One Tower, Mandaluyong	Real Property Developer	100%
Managed Care Philippines, Inc. (MCPI)	Summit One Tower, Mandaluyong	Health and Wellness Provider	100%

PLDI holds real estate properties that are either for lease or for development.

AHDCDC are companies engaged in the development of residential real estate projects. MCPI is an out-patient ambulatory surgical center. These companies have ceased to operate actively. Management is contemplating on the most advantageous business strategy to spin off its operations.

Subsidiaries are consolidated from the date when control is transferred to the ATN Group and cease to be consolidated when control is transferred out of the ATN Group.

For consolidation purposes, the financial statements of the subsidiaries with calendar period ending December 31, are consolidated in the Parent Company's financial statements as of March 31 which is allowed by the existing standard if the difference is not more than three months. Adjustments and disclosures are made for the effects of significant transactions or events that occurred between the date of subsidiaries' financial statements and the date of the consolidated financial statements.

3. Summary of Significant Accounting Policies

New Standards, Interpretations and Amendments adopted by the Group

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the fiscal year ended March 31, 2023 except for the adoption of new standards effective as at April 1, 2023.

4. Summary of Significant Accounting Judgments and Estimates

The preparation of the consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements and related notes at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

There were no significant changes in the significant accounting judgments, estimates, and assumptions used by the Group.

5. Fair Value Measurement

Financial Instruments

The fair value of financial instruments traded in active market at the reporting date is based on their quoted market price. For all other financial instruments not listed in an active market, the fair value is determined by using appropriate techniques or comparison to similar instruments for which market observable price exists.

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instruments or based on a valuation technique, the Group recognizes the difference between the transaction price and the fair value in the consolidated statements of income unless it qualifies for recognition as some other type of asset.

Set out below is the comparison of fair value and carrying value by category of financial assets and liabilities at the end of the reporting period.

	Quarter ending Sept. 30, 2023		FY ending March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Cash	P 2,580,310	P 2,580,310	P 5,190,128	P 5,190,128
Trade receivables	1,886,957	1,886,957	6,907,302	6,907,302
Financial asset at FVOCI	27,430,000	27,430,000	27,430,000	27,430,000
Deposits	775,277	775,277	1,595,276	1,595,276
Due from related parties	44,390,041	44,390,041	61,521,707	61,521,707
Trust funds	2,389,379	2,389,379	2,389,379	2,389,379
Other financial liabilities				
Accounts payable and accrued expenses	3,129,204	3,129,204	4,070,116	4,070,116
Short-term loans	44,303,000	44,303,000	44,353,000	44,353,000
Deposits	16,146,929	16,146,929	16,091,419	16,091,419
Due to related parties	404,641,075	404,641,075	405,058,507	405,058,507

Fair values were determined as follows:

- *Cash, trade receivables and accounts payable and accrued expenses*– The fair values are approximately the carrying amounts at initial recognition due to their short-term nature.
- *Financial asset at fair value through other comprehensive income* – The fair value of investments that are actively traded in organized markets is determined by reference to quoted market bid prices at the close of business on reporting date.
- *Bank loans* – The fair value of the loans payable is determined by discounting the principal using the market rate of 5.5%.
- *Deposits* - The fair value of deposits approximates the carrying value as at year end.

Fair value hierarchy

The following table presents the summary of the Group's assets and liabilities measured or disclosed at fair value on a recurring or non-recurring basis recognized in the Consolidated Statements of Financial Position as of September 30, 2023 and FY March 31, 2023.

	Sept. 30, 2023			FY March 31, 2023		
	Fair Value hierarchy			Fair Value hierarchy		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Cash in bank	P -	P 2,580,310	P -	P -	P 5,190,128	P -
Trade receivables	-	1,886,957	-	-	6,907,302	-
Financial assets at fair value - OCI	27,430,000	-	-	27,430,000	-	-
Deposits	-	775,277	-	-	1,595,276	-
Due from related parties	-	44,390,041	-	-	61,521,707	-
Trust funds	-	2,389,379	-	-	2,389,379	-
	P 27,430,000	P 52,021,964	P -	P 27,430,000	P 77,603,792	P -
Liabilities						
Accounts payable and accrued expenses	P -	P 3,129,204	P -	P -	P 4,070,116	P -
Short-term loans payal	-	44,303,000	-	-	44,353,000	-
Deposits	-	16,146,929	-	-	16,091,419	-
Due to related parties	-	404,641,075	-	-	405,058,507	-
	P -	P 468,220,208	P -	P -	P 469,573,042	P -

6. Financial Instruments, Risk Management Objectives and Policies

The main risks arising from the Group's financial instruments are liquidity risk, credit risk, and market risk. Risk management policies are summarized below.

Liquidity Risk

Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated.

Liquidity risk is a risk due to uncertain liquidity. An institution may suffer liquidity problem when its credit rating falls. The Group is also exposed to liquidity risk if markets on which it depends on are subject to loss of liquidity.

The Group manages its liquidity profile to: a) ensure that adequate funding is available at all times; b) meet commitments as they arise without incurring unnecessary costs; c) be able to access funding when needed at the least possible cost, and d) maintain an adequate time spread of financial maturities.

The table below summarizes the maturity profile of the Group's financial liabilities at September 30, 2023 and FY March 31, 2023 based on contractual undiscounted payments:

Sept. 30, 2023	On demand	Not later than one month	Later than 1 month & not later than 1 3 months	Later than 3 month & not later than 1 1 year	No fixed payment period	Total
Accounts payable and accrued expenses	3,129,204	-	-	-	-	P 3,129,204
Short term loans	-	-	-	44,303,000	-	44,303,000
Due to related parties	-	-	-	-	404,641,075	404,641,075
	P3,129,204	-	-	P 44,303,000	P 404,641,075	P 452,073,279

FY March 31, 2023	On demand	Not later than one month	Later than 1 month & not later than 1 3 months	Later than 3 month & not later than 1 1 year	No fixed payment period	Total
Accounts payable and accrued expenses	P 4,070,116	-	-	-	-	P 4,070,116
Short-term loan payable	-	-	-	44,353,000	-	44,353,000
Deposits	-	-	-	-	16,091,419	16,091,419
Due to related parties	-	-	-	-	405,058,507	405,058,507
	P 4,070,116	-	-	P 44,353,000	P 421,149,926	P 469,573,042

Credit Risk

Credit risk is risk due to uncertainty in a counterparty's (also called an obligor) ability to meet its obligation.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the consolidated statements of financial position (or in the detailed analysis provided in the notes to consolidated financial statements). Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

The table below shows the gross maximum exposure to credit risk of the Group as of September 30, 2023 and FY March 31, 2023. Net maximum exposure is the effect after considering collaterals and other credit enhancements.

	Gross maximum exposure			
	September 30, 2023		FY March 2023	
Cash in bank	P	2,580,310	P	5,190,128
Trade receivables		1,886,957		6,907,302
Financial assets at FV through OCI		27,430,000		27,430,000
Deposits		775,277		1,595,276
Due from related parties		44,390,041		68,971,707
Trust funds		2,389,379		2,389,379
	P	79,451,964	P	112,483,792

The credit quality of the Group's assets as of September 30, 2023 and FY March 31, 2022 is as follows:

September 30, 2023	Stage 1 12-months ECL		Stage Lifetime ECL		Stage 3 Credit impaired		Total	
		P	2,580,310	P	-	P		-
Trade receivables		1,886,957						1,886,957
Financial assets at FV-OCI		27,430,000				-		27,430,000
Deposits		775,277						775,277
Due from related parties				44,390,041		7,450,000		51,840,041
Trust funds				2,389,379				2,389,379
		32,672,544		46,779,420		7,450,000		86,901,964
ECL						(7,450,000)		(7,450,000)
	P	32,672,544	P	46,779,420	P	-	P	79,451,964

FY March 31, 2023	Stage 1 12-months ECL		Stage Lifetime ECL		Stage 3 Credit impaired		Total	
		P	5,190,128	P	-	P		-
Trade receivables		6,907,302						6,907,302
Financial assets at FV-OCI		27,430,000				-		27,430,000
Deposits		1,595,276						1,595,276
Due from related parties				61,521,707		7,450,000		68,971,707
Trust funds				2,389,379				2,389,379
		41,122,706		63,911,086		7,450,000		112,483,792
ECL						(7,450,000)		(7,450,000)
	P	41,122,706	P	63,911,086	P	-	P	105,033,792

High grade cash accounts are deposited in banks belonging to the top banks in the Philippines in terms of resources and profitability.

Standard grade accounts are active accounts with propensity of deteriorating to mid-range age buckets. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Market Risk

Market risk is the risk of change in fair value of financial instrument from fluctuation in foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk), whether such change in price is caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

Market risk represents what the Group would lose from price volatilities. Market risk can be measured as the potential gain or loss in a position or portfolio that is associated with a price movement of a given probability over a specified time horizon.

The Group manages market risk by evenly distributing capital among investment instruments in different financial institution.

Price Risk

The Group's price risk exposure at year-end relates to financial asset whose value fluctuates as a result of changes in market price, principally, Investment in financial assets at FVOCI The impact on the Group's equity excludes the impact of transactions affecting profit or loss since financial instrument carried at fair value are classified as Investment in financial asset at fair value through OCI.

Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the dividends paid to shareholders or issue new shares.

The capital structure of the Group consists of issued share capital and additional paid-in capital. The financial ratio at the year end, which is within the acceptable range of the Group, is as follows:

		Sept. 30, 2023		FY March 31, 2023
Equity	P	2,577,559,951	P	2,581,665,336
Total assets		3,757,609,307		3,763,066,528
Ratio		0.69		0.69

7. Cash in banks

Cash in banks generally earns interest based on prevailing bank deposit rates. Cash in banks amounted to P2,580,310 and P5,190,128 as of September 30, 2023 and FY March 31, 2023, respectively.

Interest earned from these deposits amounted to P4,441 and P6,614 for period ended September 30, 2023 and FY March 31, 2023, respectively.

8. Trade receivables

Trade receivables represent receivable from sale of aggregates and rental of properties amounting to P1,886,957 and P6,907,302 as at September 30, 2023 and FY March 31, 2023, respectively. These are non-interest bearing and are generally collectible within one (2) month.

The aging of trade receivables is as follows:

September 30, 2023		Current	Past due		Total
			31-60 days	61-90 days	
Trade receivables	P	1,132,174	-	P 754,783	P 1,886,957

FY March 31, 2023		Current	Past due		Total
			31-60 days	61-90 days	
Trade receivables	P	3,815,860	P 2,117,740	P 913,702	P 6,847,302

9. Inventories

The Group's aggregates inventories as at September 30, 2023 and March 31, 2023 are as follows:

		Sept. 2023	FY March 2023
Armor rocks	P	10,431,972	P 5,126,800
Crushed basalt aggregates		25,370,584	16,545,038
	P	35,802,556	P 21,671,838

As at September 30, 2023 and FY March 31, 2023, inventories are carried at cost. Due to a relatively high demand, the NRV approximates the carrying value.

10. Other Current Assets

The composition of this account is as follows:

		Sept 2023	FY March 2023
Input taxes	P	3,572,597	P 2,612,560
Deposits		775,277	1,595,276
Prepaid taxes		6,992,991	6,599,652
	P	11,340,865	P 10,807,488

- Input taxes represent the 12% tax on domestic purchases of goods and services from VAT registered entities. Input tax is applied against output taxes in the succeeding month.
- Deposits are advance payment of rental that are expected to be applied within the next 12 months.
- Prepaid taxes represent 5% tax withheld on rental. The same may be applied against future income tax liabilities. As of September 30, 2023 and FY March 31, 2023, creditable withholding taxes are considered recoverable in full and no impairment loss is necessary.

11. Financial Asset at Fair Value through Other Comprehensive Income

This account represents 132,100,000 listed shares of Transpacific Broadband Group International, Inc. (TBGI), a publicly listed company in the Philippine Stock Exchange. Fair value was determined through reference to published price quotations.

The reconciliation of the carrying amounts of this account at the beginning and end of the fiscal year is as follows:

		Sept 2023	FY March 2023
Balance at the beginning of fiscal year	P	27,430,000	P 46,235,000
Changes in fair value		-	(18,805,000)
	P	27,430,000	P 27,430,000

Changes in fair value are reported separately in the consolidated statements of comprehensive income as "Fair value changes in financial asset at fair value through other comprehensive income – net of tax".

12. Investments in Associates - net

This account consists of the following:

		Sept 2023	FY March 2023
Cost			
Beginning of the year			
ATN Phils Solar Energy Group	P	865,080,120	P 865,080,120
Mariestad Mining Corp.		11,306,000	11,306,000
		876,386,120	876,386,120
Equity in net losses			
Beginning of the year		(13,487,053)	(13,132,826)
Current year		-	(354,227)
		(13,487,053)	(13,487,053)
Total		862,899,067	862,899,067
Allowance for impairment		(11,306,000)	(11,306,000)
	P	851,593,067	P 851,593,067

ATN Solar

ATN Solar is a grantee of Solar Energy Service Contract with the Philippine Government through the Department of Energy to develop, own and operate a 30MW solar power plant in Rodriguez, Rizal.

During the year, ATN Solar has commenced discussion with Engineering Procurement Construction (EPC) groups for the construction of the plant. Construction phases are (1) 250kW pilot plant to test possible technical issues and improve construction efficiency of commercial scale plant to reduce construction timelines. (2) 250kW pilot plant to be expanded to 2MW for the complete modular assembly of DC/AC system.

The Company has awarded in principle the construction of the 250kW plant. Initial output power will be utilized by its parent company ATN Holding, Inc. for internal use, with no export to the grid. Completion in project phases will allow ATN Solar to finalized supply agreements with a Retail Electricity Supplier (RES) and/or the Meralco group.

After successful construction of the pilot plant, the Company will decide on the award of construction of modular 3 x 10MW Solar PV plant to the EPC or other EPC to complete the three modules.

The project site of 15 hectares for 30 MW have been leveled and cleared. With the advances in solar panel capacity from to 210Wp to 630Wp per panel, a 15-hectare land area will be allocated for the 30 MW project. The Company needs to install the DC components of the project since the 3 x 10MW sub-distribution lines connected to Meralco have been installed in place. All temporary and ancillary facilities including but not limited to water supply facility, personnel housing, heavy equipment for construction, power supply for construction are ready for the implementation off the 30 MW project, pending the result of the pilot project.

MMC

In 2007, the Group entered into an investment agreement with MMC to participate in the extraction of manganese ores in the former's mining site. The Group's participation is in the form of providing financial resources to undertake the mining operations. The Group has financed a total of P11,306,000 million in MMC. Due to the non-commencement of mining operation, the Group provided a full impairment loss on its investment in MMC. Furthermore, there was no recent financial information available for MMC.

13. Investment Properties

The composition of this account as of September 30, 2023 and FY March 31 is as follows:

Land	P 15,810,000
Condominium units	284,554,278
Parking slots	26,350,000
Townhouses	22,953,001
	P 349,667,279

14. Property and Equipment

Property and equipment consists of:

September 30, 2023	Land and mine site improvements	Machineries & equipment	Office Furniture & improvements	Transportation Equipment	Total
Cost					
At April 1, 2023	2,358,943,606	70,329,329	6,331,055	7,879,464	2,443,483,454
Addition	2,128,452	5,892,857			8,021,309
At Sept. 30, 2023	2,361,072,058	76,222,186	6,331,055	7,879,464	2,451,504,763
Accumulated depreciation					
At April 1, 2023	120,789	5,344,673	6,197,363	5,932,289	17,595,114
Provisions	40,263	2,772,381	26,853	542,299	3,381,796
At Sept. 30, 2023	161,052	8,117,054	6,224,216	6,474,588	20,976,910
Carrying value					
At Sept. 30, 2023	P 2,360,911,006	P 68,105,132	P 106,839	P 1,404,876	P 2,430,527,853

FY March 31, 2023	Land and mine site improvements	Machineries & equipment	Office Furniture & improvements	Transportation Equipment	Total
Cost					
At April 1, 2022	P 2,358,943,606	P 47,025,758	P 6,331,055	P 7,879,464	P 2,420,179,883
Addition during the year	-	23,303,571			23,303,571
At March 31, 2023	2,358,943,606	70,329,329	6,331,055	7,879,464	2,443,483,454
Accumulated depreciation					
At April 1, 2022	67,105	2,351,290	6,161,559	5,209,224	13,789,178
Provisions	53,684	2,993,383	35,804	723,065	3,805,936
At March 31, 2023	120,789	5,344,673	6,197,363	5,932,289	17,595,114
Carrying value					
At March 31, 2023	P 2,358,822,817	P 64,984,656	P 133,692	P 1,947,175	P 2,425,888,340

To prepare the site for quarry operation, the Group incurs stripping costs. These costs are incurred in the development phase which are capitalized as part of constructing the quarry site and subsequently amortized over its useful life using the unit-of-production method. The capitalization of stripping costs ceases when the quarry site is ready for production. Stripping cost is included as part of Land and mine site improvements totaling P85.3 million in 2021.

Machineries and equipment represent the purchase price including freight and insurance charges for the acquisition of stone and hydraulic cone crusher totaling P47 million. This machinery is used for the production of rock aggregates.

15. Accounts Payable and Accrued Expenses

This account consists of the following:

		Sept 2021		FY March 2022
Taxes payable	P	2,985,000	P	2,985,000
Trade		147,676		1,599,996
Other current liabilities		-		181,941
	P	3,132,676	P	4,766,937

Terms and conditions of the above financial liabilities are as follows:

- Trade payables are non-interest bearing and are normally settled on a 90-day term;
- Taxes payable are settled in the following month.

The fair values of accounts payable and accrued expenses have not been disclosed due to their short duration. Management considers the carrying amounts recognized in the statement of financial position to be a reasonable approximation of their fair values.

16. Short-term Loans Payable

The Parent company has an omnibus line with China Banking Corporation (CBC) for a maximum amount of P50 million. Short-term loans are availed for working capital requirements. The loan is subject to an interest rate of 4.25% payable monthly and is collateralized by a condominium unit in Summit One Tower.

As of September 30, 2023 and FY March 31, 2023 the balance of the Parent company's loan amounted to P44.303 million and P44.353 million respectively.

Interest expense related to this loan amounted to P1.682 million as of September 30, 2023 and P2.518 million for fiscal years ended March 31, 2023.

17. Deposits

This account represents deposit on operating leases which is made in compliance with the existing leasing agreement with the lessee. The amount is refundable at the expiration of lease contracts.

As of September 30, 2023 and FY March 31, 2023, deposits on operating leases amounted to P16,146,96 and P16,091,419, respectively.

18. Equity

Share capital

Component of share capital is as follows:

Title of Issue	Authorized share capital		Subscribed and paid	
	Number of shares	Amount	Number of shares	Amount
Common				
Class A	4,200,000,000	P 420,000,000	4,025,055,429	P 402,505,543
Class B	2,800,000,000	280,000,000	2,800,000,000	280,000,000
Preferred	5,000,000,000	500,000,000	-	
	12,000,000,000	P 1,200,000,000	6,825,055,429	P 682,505,543

In accordance with the Articles of Incorporation, certain restrictions have been imposed regarding issuance and transfer of share capital as follows:

- Class "A" common shares are to be issued only to citizens of the Philippines or to partnership, association or corporation organized under the laws of the Philippines.

- Class "B" common shares are to be issued to any person subject to the required foreign ownership limitation under the laws of the Philippines.
- Preferred shares are cumulative, non-participating, non-voting shares that are entitled for mandatory redemption on the 5th, 7th and 10th year anniversary of issue.

During the annual stockholders meeting held on November 14, 2019, the stockholders approved the increase in authorized capital from 12 billion shares to 24 billion shares both with par value of P0.10. The required subscription will be satisfied through conversion of advances from stockholders at a pre-determined subscription price. As of July 11, 2022 the application for increase in capital is due for filling with the Securities and Exchange Commission.

19. Cost of Sales and Services

The breakdown of this account is as follows:

		Sept. 2023		Sept. 2022
Cost of aggregates sold	P	5,376,973	P	11,165,431
Direct cost of real estate leasing		776,814		771,653
	P	6,153,787	P	11,937,084

20. Administrative Expenses

The breakdown of this account is as follows:

	Sept. 2023	Sept. 2022
Communication and association dues	2,956,346	2,995,786
Salaries, wages and benefits	1,269,758	1,171,289
Professional fees	371,321	1,085,658
Depreciation and amortization	609,415	609,415
Miscellaneous	96,843	10,268
Rent	283,422	318,850
Security services	161,518	205,964
Transportation and travel	109,334	123,635
Office supplies and printing	276,623	94,600
Taxes, licenses and permits	153,647	2,499,739
Repairs and maintenance	44,538	31,201
Insurance	117,786	114,969
	P	P
	6,450,551	9,261,374

Salaries and other employee benefits account include salaries, wages and retirement benefits of the employees.

21. Related Party Transactions

Transactions, year-end balances and terms and conditions with related parties are as follows:

Related parties	September 30, 2023			
	Beginning balance	Availment	Collection	Ending balance
Associates				
ATN Phils. Solar Energy Group Inc.	P 45,141,894	P -	(17,132,666)	P 28,009,228
Companies under common control				
Transpacific Broadband Group Int'l Inc.	16,380,813	-	-	16,380,813
Sierra Madre Consolidated Mines	7,450,000	-	-	7,450,000
Unipage Management Inc.	(8,900,107)	(69,695,389)		(78,595,496)
Stockholders	(311,963,567)	(6,268,727)		(318,232,294)
	(251,890,967)	(75,964,116)	(17,132,666)	(344,987,749)
Allowance for ECL	(7,450,000)	-	-	(7,450,000)
	P (244,440,967)	P (75,964,116)	P (17,132,666)	P (337,537,749)

Related Parties	FY March 31, 2023			
	Beginning balance	Availment	Collection	Ending balance
Associates				
ATN Phils. Solar Energy Group Inc.	P 52,633,894	P 1,487,090	P 8,979,090	P 45,141,894
Companies under common control				
Transpacific Broadband Group Int'l Inc.	16,380,813	-	-	16,380,813
Sierra Madre Consolidated Mines	7,450,000	-	-	7,450,000
Unipage Management Inc.	(250,911,193)	465,011,086	223,000,000	(8,900,107)
Stockholders	(508,307,067)	210,000,000	13,656,500	(311,963,567)
	(682,753,553)	676,498,176	245,635,590	(251,890,967)
Allowance for ECL	7,450,000	-	-	7,450,000
	P (690,203,553)	P 676,498,176	P 245,635,590	P (259,340,967)

Significant transactions with related parties are as follows:

1. UMI and certain stockholders provide financing for the Group. Eventually, these funds are transferred and used to support the pre-operations and other expenses of ATN Solar.
2. The Group and TBGI are parties to a Teaming Agreement executed in January 2013. Pursuant thereto, sharing of cost and expenses incurred within Summit One Condominium. Expenses related to technical operations is to be advanced by either of the parties and to be reimbursed from the other parties proportionately or by actual usage as the case maybe.
3. In prior years, the Group provided cash advances to SMCM to fund its mining activities. Such advances will be converted into equity interest in SMCM when mining operations commence. Due to unforeseen circumstances, SMCM encountered financial difficulties and was unable to operate and generate revenues and cash flows. Accordingly, the Group provided a full impairment loss on its advances to SMCM in 2014 amounting to P7.45 million.
4. On April 5, 2022, a Deed of Assignment was executed wherein the advances provided by a certain stockholder to the Company amounting to P210 million were assigned to UMI. On the same date, a Subscription Agreement was executed wherein the Company issued 2,325,055,429 shares to UMI in exchange for the latter's advances to the Parent Company amounting to P466,451,550. This non-cash transaction was excluded in the consolidated statements of cash flows for the fiscal year ended March 31, 2023.
5. The details of subsidiaries' accounts that were eliminated in the process of consolidation are as follows:

		Sept. 2023	FY March 2023
AHCDC	P	11,777,392	P 10,818,677
MCPI		8,642,328	8,642,328
PLDI		21,197,905	23,245,620
		41,617,625	42,706,625

6. The Group did not recognize any key management compensation nor provided any stock options and bonuses for the fiscal years ended March 31, 2022, 2021 and 2020.
7. There were no provisions for ECL during 2023, 2022, and 2021 covering Advances to related parties.

22. Earnings (Loss) per Share

Earnings per share is computed by dividing the income for the period by the weighted average number of common shares as follows:

	Sept. 2023	Sept. 2022
Earnings	(4,105,385)	(2,759,229)
Divided by:		
Weighted Average Shares	6,825,055,430	6,825,055,430
Earning per share	(0.0006)	(0.0004)

23. Segment Information

For management reporting purposes, the Group is divided into two (2) reportable segments consisting of the (i) Real estate leasing and (ii) Aggregates which is involve in the production and selling of rock aggregates. The latter being introduced only in 2021.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the consolidated financial statements.

Segment information for the reportable segment is shown in the following table:

As of September 30, 2023

	Real estate leasing	Sale of Aggregates	Non-segment items	Total
Revenues	3,779,690	6,454,950	2,441	10,237,081
Cost and expenses	8,965,492	5,376,973	-	14,342,465
Net income (loss)	(5,185,802)	1,077,977	2,441	(4,105,384)
Reportable segment assets	2,440,997,037	1,307,708,333		3,748,705,370
Reportable segment liabilities	788,278,769	382,234,528		1,170,513,297
Non-cash expenses				-
Depreciation	569,152	2,812,644	-	3,381,796

As of September 30, 2022

	Real estate leasing	Aggregates	Non-segment items	Total
Revenues	3,941,871	15,950,616	6,614	19,899,101
Cost and expenses	5,861,370	16,796,960	-	22,658,330
Net income (loss)	(1,919,499)	(846,344)	6,614	(2,759,229)
Reportable segment assets	2,449,758,915	1,314,849,205		3,764,608,120
Reportable segment liabilities	840,589,252	324,601,844		1,165,191,096
Non-cash expenses				-
Depreciation	609,415	1,968,811		2,578,226

24. Other SEC requirements

Disclosures on the issuer's interim financial report, in compliance with Philippine Financial Reporting Standards:

1. There is no seasonality or cyclicity of interim operations.
2. There is no item that has unusual effect on asset, liabilities, equity, net income and cash flows.
3. There is no change in the nature and amounts reported in prior interim periods of the current financial year or prior financial year.
4. There is no issuance, repurchase nor repayment of debt and equity securities during the interim period.
5. There is no dividend paid for ordinary or other shares.
6. There is no material event subsequent to the end of the interim period that has not been reflected in the financial statements.
7. There is no change in the composition of the issuer such as business combination, acquisition, disposal of subsidiary and long-term investment, and restructuring during the interim period.
8. There is no change in contingent assets or contingent liabilities since the last annual balance sheet date.
9. There is no seasonal effect that had material effect on financial condition or result of operation.

Item 2. Management's Discussion and Analysis of Operation

(B) Interim Periods

The company and its three majority-owned subsidiaries use current ratio and debt to equity ratio to measure liquidity, and gross profit margin and net income to sales ratio as key performance indicators. Current ratio is calculated using current accounts cash, marketable securities, receivables, accounts payable, income tax payable and other liabilities maturing in one year. Debt to equity ratio is derived from division of total debt by total amount of stockholders' equity. Profit margin is computed based on ratio of income from operation (before financing charges and other income/loss) to total revenues.

The company uses past year performance as basis for expected results in current year. With the bulk of its business in real estate, the company has no productivity program. It adopts a prudent policy of matching expenditures with revenues to keep current accounts position in balance

The following are 7 (seven) key performance and financial soundness indicators of the company:

Current Ratio	Calculated ratio of current assets into current liabilities. Indicates the ability of the company to finance current operations without need for long term capital
Debt-to Equity Ratio	Calculated ratio of total debt into total equity. Indicates the level of indebtedness of the company in relation to buffer funds provided by equity against any operating losses. Also indicates the capacity of the company to absorb or take in more debt.
Asset-to-Equity Ratio	Calculated ratio of total asset into total equity. Indicates the long-term or future solvency position or general financial strength of the company.
Interest Rate Coverage Ratio	Calculated ratio of earnings before interest and taxes into interest expenses. Indicates the ability to meet its interest payments.
Gross profit Margin	Calculated ratio expressed in percentage of the gross margin into total revenues. Indicates the ability of the company to generate margin sufficient to cover administrative charges, financing charges and provide income for the stockholders.
EBITDA	Calculated earnings before income tax, and non-cash charges. Indicates the efficiency of the company in generating revenues in excess of cash operating expenses.
Net Income to Sales Ratio, and Earnings per Share	Calculated ratio of net income into total revenues. Indicates the efficiency of the company in generating revenues in excess of cash operating expenses and non-cash charges, and the ability of the company to declare dividends for stockholders.

	ATN Holdings (Consolidated)		Palladian Land		Advanced Home	
	Sept. 2023	Sept. 2022	Sept. 2023	Sept. 2022	Sept. 2023	Sept. 2022
Current Ratio	1.09	0.75	50	113	-	-
Debt to Equity Ratio	0.46	0.45	0.44	0.40	2.23	3.46
Asset to Equity Ratio	1.46	1.45	1.44	1.40	3.23	4.46
Interest Rate Coverage Ratio	-1.41	-0.96	-	-	-	-
Gross Profit Margin	40%	67%	68%	74%	-	-
EBITDA	Php (1,757,842)	Php (77,967)	Php (2,733,915)	Php (2,317,793)	-PhP37,154	-PhP58,685
Net Income to Sales Ratio	-64%	14%	-138%	-101%	-	-
Net Income (loss)	-PhP4,105,385	-PhP2,759,229	-PhP3,376,725	-PhP2,948,585	-PhP37,154	-PhP58,685

On a consolidated basis, ATN accounts that changed by more than 5% compared to quarter ending September 30, 2023 financial statements are as follows:

1. Cash and cash equivalent decreased to Php2.6 million from Php5 million (-50%) due to acquisition of plant equipment.
2. Trade receivables decreased to Php1.886 million from Php6.9 million (72%) due to collection.

3. Inventories increased to Php38.8 million from Php21 million (65%) increase in production and slower in sales of aggregates.
4. Due from related parties decreased to Php44 million from Php61.5 million (-27%) due to payment.
5. Accounts payable and accrued expenses decreased to Php3.1 million from Php4 million (-23%) due to payment.
6. Total revenue decreased to Php10.237 million as of quarter ending Sept. 30, 2023 compared to Php19.889 million as of Sept. 30, 2022 (-48%) due to decrease in aggregates revenue.
7. Cost of sales and services decreased as of September 30, 2023 to Php6.153 million compared to Php11.9 million as of September 30, 2022 due to decrease in revenue (-48%)
8. Administrative expenses decreased from Php6.450 million in September 30, 2023 compared to Php9.261 million in September 30, 2022. The following are the accounts with more than 5% change:
 - a. Increased in salaries and wages by Php98 thousand (8.41%) due to adjustments.
 - b. Increased in transportation and travel by Php306 thousand (559%)
 - c. Decreased in professional fees by Php714 thousand (-65%) due to lesser consultations.
 - d. Decrease in rent expense by Php35 thousand (-11%) due to adjustments.
 - e. Decrease in security services by Php44 thousand (-21%)
 - f. Decrease in transportation and travel by Php14 thousand (-11%) due to lesser errands.
 - g. Increased in office supplies and printing by Php182 thousand (192%) due to bulk purchases.
 - h. Decrease in taxes and licenses by Php2.3 million (-94%)
 - i. Increased in repairs and maintenance by Php13 thousand (42%).

Corporate Development

The ATN Group subscribed 690 million shares and paid-up of 650 million shares in ATN Solar Energy Group, Inc., (ATN Solar). ATN Solar is engaged in renewable energy generation and trade distribution of renewal energy equipment and accessories. ATN Solar secured a service contract from the Department of Energy for its 30-MW Rodriguez Solar Power Project on May 12, 2011 and a Certificate of Registration from the BOI for income tax holiday, which can be availed in the first seven years of operation.

With the company's sound financial condition, ATN can ride the Corona Virus 19 pandemic, given its low debt to equity ratio, and the low cash burn rate that had been deliberately structured to survive financial market stress. Hence there is no foreseeable event, which may have a material impact on its short-term liquidity, and no seasonal aspect had material effect on the financial condition of the Company's operation.

Improvements of real estate assets can be funded by borrowings and augmented by internally generated funds because of its large capacity to absorb debt relative to the value of its hard assets. To the best knowledge of Management there are no unusual or non-recurrent accounts that adversely affect the financial condition of the company five years going forward.

MCPI has ceased its healthcare operation in 2019 and sold a significant portion of its medical equipment. AHCDC and PLDI likewise ceased to actively sell its remaining real estate properties and were classified to investment properties as a result of change in recognition. The financial statements do not include any adjustment that might result from this uncertainty.


The company expects to continue its focus on its existing principal activities and actively pursue opportunities for investment in the construction materials supply business and renewable energy sectors in the Philippines.


SIGNATURES

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

Company : **ATN HOLDINGS, INC.**

Signature and Title :


PAUL B. SARIA
Principal Financial Officer
November 17, 2023


CELINIA FAELMOCA
Principal Accounting Officer
November 17, 2023