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)

**December 31, 2021**

(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 December 31, 2021

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" | 3,700,000,000 |
| Class "B" | 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 | | 31-Dec 2021 | | Audited 31-Mar 2021 |
|---|---|---|---|---|---|
| ASSETS | | | | | |
| Current Assets | | | | | |
| Cash | 7 | **P** | **14,726,045** | P | 11,259,058 |
| Trade receivables | 8 | | **1,363,271** | | 4,979,948 |
| Inventories | 9 | | **8,468,438** | | 8,033,302 |
| Other current assets | 10 | | **9,021,400** | | 8,823,714 |
| | | | **33,579,154** | | 33,096,022 |
| Noncurrent assets | | | | | |
| Investments in: | | | | | |
| Financial assets at fair value through other comprehensive income (FVOIC) | 11 | | **57,233,000** | | 57,233,000 |
| Associates-Net | 12 | | **851,447,348** | | 851,858,775 |
| Investment properties | 13 | | **342,023,689** | | 342,023,689 |
| Property and equipment - net | 14 | | **2,406,390,705** | | 2,409,084,290 |
| Due from related parties | 21 | | **65,062,768** | | 43,818,636 |
| | | | **3,722,157,510** | | 3,704,018,390 |
| | | **P** | **3,755,736,664** | P | 3,737,114,412 |
| LIABILITIES AND EQUITY | | | | | |
| LIABILITIES | | | | | |
| Current Liabilities | | | | | |
| Accounts payable and accrued expenses | 15 | **P** | **4,261,250** | P | 4,470,400 |
| Short-term interest bearing loans | 16 | | **47,000,000** | | 50,000,000 |
| Lease liability | | | **-** | | 748,070 |
| | | | **51,261,250** | | 55,218,470 |
| Noncurrent Liabilities | | | | | |
| | | | **-** | | |
| Deposits | 17 | | **19,704,472** | | 21,382,129 |
| Due to related parties | 21 | | **830,863,923** | | 803,095,213 |
| Pension liability | | | **844,950** | | 844,950 |
| Deferred tax liabilities | | | **713,363,830** | | 713,363,830 |
| | | | **1,564,777,175** | | 1,538,686,122 |
| TOTAL LIABILITIES | | | **1,616,038,425** | | 1,593,904,592 |
| EQUITY | | | | | |
| Share capital | 18 | | **450,000,000** | | 450,000,000 |
| Share premiums | | | **22,373,956** | | 22,373,956 |
| Unrealized loss on financial assets at fair value through OCI-net of tax | | | **32,617,516** | | 32,617,516 |
| Retained Earnings /(Deficit) | | | **1,634,706,767** | | 1,638,218,348 |
| | | | **2,139,698,239** | | 2,143,209,820 |
| | | **P** | **3,755,736,664** | P | 3,737,114,412 |

*See accompanying Notes to Financial Statements.*

**ATN HOLDINGS, INC. and Subsidiaries**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | Quarter Ending | | **Nine (9) Months Ending** | |
|---|---|---|---|---|
| | 31-Dec-21 | 31-Dec-20 | **31-Dec-21** | 31-Dec-20 |
| REVENUE | | | | |
| Lease of properties | P1,489,581 | P2,405,080 | **P8,171,267** | P10,868,635 |
| Sale of aggregates | 5,686,894 | 375,157 | **11,426,588** | 375,157 |
| Sale of real estate | - | 75,892,857 | **-** | 75,892,857 |
| Other Income: | | | | |
| Interest income | 4,060 | 10,490 | **12,761** | 23,887 |
| | 7,180,535 | 78,683,584 | **19,610,616** | 87,160,536 |
| COST AND EXPENSES | | | | |
| Cost of sales and services | 6,368,953 | 76,143,779 | **12,064,447** | 76,896,544 |
| Administrative expenses (Note 23) | 1,147,123 | 1,759,527 | **8,797,530** | 8,492,925 |
| Finance cost | 476,487 | 723,722 | **1,773,458** | 2,944,593 |
| Impairment losses | - | 3,405,143 | **-** | 3,405,143 |
| Equity in net loss of an associate | - | 256,509 | **411,427** | 940,128 |
| | 7,992,563 | 82,288,680 | **23,046,862** | 92,679,333 |
| INCOME (LOSS) BEFORE INCOME TAX | (812,029) | (3,605,096) | **(3,436,247)** | (5,518,797) |
| INCOME TAX EXPENSE | (41,280) | (1,047,764) | **75,334** | (816,741) |
| Net Income (Loss) after Income Tax | (770,749) | (2,557,332) | **(3,511,581)** | (4,702,056) |
| OTHER COMPREHENSIVE INCOME | - | - | **-** | |
| TOTAL COMPREHENSIVE INCOME | (P770,749) | (P2,557,332) | **(P3,511,581)** | (P4,702,056) |
| EARNINGS PER SHARE | | | **(0.001)** | (0.001) |

*See accompanying Notes to Financial Statements.*

**ATN HOLDINGS, INC. and Subsidiaries**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Nine (9) Months Ending | |
|---|---|---|
| | **31-Dec-21** | 31-Dec-20 |
| Share Capital | | |
| Balance at beginning of fiscal year | **P450,000,000** | P450,000,000 |
| Issuance during the fiscal year | **-** | - |
| Balance at end of fiscal year | **P450,000,000** | P450,000,000 |
| Share Premiums | **22,373,956** | 22,373,956 |
| Unrealized gain on available-for sale financial asset - net of tax | | |
| Balance at beginning of fiscal year | **32,617,516** | (3,103,863) |
| Changes in fair value of available -for-sale financial assets | **-** | - |
| Balance at end of fiscal year | **32,617,516** | (3,103,863) |
| Retained earnings (deficit) | | |
| Balance at beginning of fiscal year | **1,638,218,348** | 1,642,176,827 |
| Net income (loss) for the period | **(3,511,581)** | (4,702,056) |
| Balance at end of the year | **1,634,706,767** | 1,637,474,771 |
| | **P2,139,698,239** | P2,106,744,864 |

*See accompanying Notes to Financial Statements.*

**ATN HOLDINGS, INC. and Subsidiaries**

STATEMENT OF CASH FLOWS

| | Quarter Ending | | **Nine (9) Months Ending** | |
|---|---|---|---|---|
| | 31-Dec-21 | 31-Dec-20 | **31-Dec-21** | 31-Dec-20 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Net Income (Loss) | (P770,749) | (P2,557,332) | **(P3,511,581)** | (P4,702,056) |
| Adjustments for: | | | | |
| Depreciation and amortization | 686,817 | 189,717 | **2,693,585** | 1,301,322 |
| Impairment losses | - | 3,405,143 | **-** | 3,405,143 |
| Equity in net loss of an associate | - | 256,509 | **411,427** | 940,128 |
| Interest income | (4,060) | (10,490) | **(12,761)** | (23,887) |
| Interest expense | 476,487 | 723,722 | **1,773,458** | 2,944,593 |
| Operating income before working capital chan | 388,496 | 2,007,269 | **1,354,129** | 3,865,243 |
| Decrease (increase) in current assets | | | | |
| Trade receivables | (1,289,045) | - | **3,616,677** | - |
| Inventories | 626,189 | - | **(435,136)** | - |
| Other current assets | (1,033,532) | 8,073,249 | **(197,686)** | 2,420,219 |
| Increase (decrease) in current liabilities | | | | |
| Accounts payable and accrued expens | (354,732) | 704,664 | **(209,150)** | 733,434 |
| Interest received | (8,701) | 10,490 | **12,761** | 23,887 |
| Net cash Provided by Operating Activities | (1,671,325) | 10,795,672 | **4,141,594** | 7,042,783 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Decrease (increase in) | | | | |
| Advances to related parties | (4,270,599) | (12,779,390) | **(21,244,132)** | 3,371,307 |
| Acquisition of: | | | | |
| Investment properties | - | (21,494,776) | **-** | (34,611,430) |
| Property and equipment | - | - | **-** | (47,025,758) |
| Increase (decrease) | | | | |
| Payable to related parties | 6,294,082 | (2,603,011) | **27,768,710** | 41,858,416 |
| Deposits | (1,120,777) | (10,000) | **(1,677,657)** | (1,566,401) |
| Disposal of non-current assets held for sale | - | 95,892,857 | **-** | 95,892,857 |
| Decrease in liability portion of | | | | |
| non-current liabilities held for sale | - | (63,200,000) | **-** | (31,600,000) |
| Payment of subscription | - | (9,000,000) | **-** | (17,000,000) |
| | 902,706 | (13,194,320) | **4,846,921** | 9,318,991 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Payment of: | | | | |
| Principal | - | - | **(3,000,000)** | (34,000,000) |
| Interest | (476,487) | (723,722) | **(1,773,458)** | (2,944,593) |
| Lease liability | - | (280,279) | **(748,070)** | (1,044,068) |
| | (476,487) | (1,004,001) | **(5,521,528)** | (37,988,661) |
| NET INCREASE/(DECREASE) IN CASH | (P1,245,106) | (P3,402,649) | **3,466,987** | (21,626,887) |
| CASH AT BEGINNING OF PERIOD | | | **11,259,058** | 35,118,338 |
| CASH AT END OF PERIOD | | | **P14,726,045** | P13,491,451 |

*See accompanying Notes to Financial Statements.*

**ATN HOLDINGS, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**DECEMBER, 2021 AND MARCH 31, 2021**

## 1. Corporate Information

ATN Holdings, Inc. (*ATN, the Parent or the Company*) 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 company. On November 10, 2016, the Company'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 9$^{th}$ Floor Summit One Tower Bldg., 530 Shaw Blvd., Mandaluyong City. ATN Holdings, Inc. has no ultimate Parent company.

## 2. Basis of Preparation and Presentation

*Basis of Financial Statement Preparation and Presentation*
The interim consolidated financial statements of the Parent Company and Subsidiaries (*the Group*) as at December 31, 2021 and for the six-month period ended December 31, 2021 and 2020 have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) investment 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.

*Statement of Compliance*
The accompanying unaudited interim financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, Interim Financial Reporting.

*Principle for Consolidation*
The consolidated financial statements comprise the financial statements of the Parent Company and those of the subsidiaries. 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 December 31, 2021 and FY March 31, 2021, the consolidated subsidiaries are as follows:

| Subsidiary | Principal place of business | Principal Activity | % of Ownership |
|---|---|---|---|
| Palladian Land Dev. Inc. (PLDI) | Summit One Tower, Mandaluyong | Real Property Developer | 100% |
| Advanced Home Concept Development Corp. (AHCDC) | Summit One Tower, Mandaluyong | Real Property Developer | 100% |
| Managed Care Phils. Inc. (MCPI) | Summit One Tower, Mandaluyong | Health and Wellness Provider | 100% |

PLDI and AHCDC are companies engaged in the development of residential real estate projects.

MCPI is an out-patient ambulatory surgical center. For the year ended December 31, 2020 and 2019, MCPI has ceased its healthcare operations and accordingly sold a significant portion of its medical equipment during 2019. AHCDC and PLDI has likewise ceased to actively sell its remaining real estate properties. Unsold inventories of real properties were reclassified to investment properties as result of change in recognition. The Parent company and PLDI is now focused on leasing its investment properties to third parties.

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, 2021 except for the adoption of new standards effective as at April 1, 2021.

## 4. Summary of Significant Accounting Judgments and Estimates

The preparation of the 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 Dec. 31, 2021** | | FY ending March 31, 2021 | |
|---|---|---|---|---|
| | **Carrying Value** | **Fair Value** | Carrying Value | Fair Value |
| Loans and receivables | | | | |
| Cash | **14,726,045** | **14,726,045** | 11,259,058 | 11,259,058 |
| Financial assets at FVOCI | **57,233,000** | **57,233,000** | 57,233,000 | 57,233,000 |
| Other financial liabilities | | | | |
| Accounts payable and accrued expenses | **4,261,250** | **4,261,250** | 4,470,400 | 4,470,400 |
| Bank loans | **47,000,000** | **47,000,000** | 50,000,000 | 50,000,000 |
| Deposits | **19,704,472** | **19,704,472** | 21,382,129 | 21,382,129 |

Fair values were determined as follows:

- *Cash 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 4.25%.

- *Deposits* - The fair value of deposits approximates the carrying value as at year end.

## 6. Financial Instruments, Risk Management Objectives and Policies

The main risks arising from the Company'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 December 31, 2021 and March 31, 2021 based on contractual undiscounted payments:

| **Dec. 31, 2021** | **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 l year** | **Later than 1 year & not later than 1 5 years** | **Total** |
|---|---|---|---|---|---|---|
| **Accounts payable and accrued expenses** | **4,261,250** | **-** | **-** | **-** | **-** | **P 4,261,250** |
| **Short-term loans** | **-** | **-** | **-** | **47,000,000** | **-** | **47,000,000** |
| **Payable to related parties** | **-** | **-** | **-** | **-** | **830,863,923** | **830,863,923** |
| | **P 4,261,250** | **-** | **-** | **P 47,000,000** | **P 830,863,923** | **P 882,125,173** |

| FY March 31, 2021 | 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 I year | No fixed payment period | Total |
|---|---|---|---|---|---|---|
| Accounts payable and accrued expenses | P 4,470,400 | - | - | - | - | P 4,470,400 |
| Bank loans | - | - | - | 50,000,000 | - | 50,000,000 |
| Deposits | - | - | - | - | 21,382,129 | 21,382,129 |
| Due to related parties | - | - | - | - | 803,095,213 | 803,095,213 |
| | P 4,470,400 | - | - | P 50,000,000 | P 824,477,342 | P 878,947,742 |

*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 December 31, 2021 and March 31, 2021. Net maximum exposure is the effect after considering collaterals and other credit enhancements.

| | Gross maximum exposure | |
|---|---|---|
| | Dec. 31, 2021 | FY March 2021 |
| Cash and cash equivalents | P 14,726,045 | P 11,259,058 |
| Financial asset at fairvalue through OCI | 57,233,000 | 57,233,000 |
| Advances to related parties | 65,062,768 | 43,818,636 |
| | P 137,021,813 | P 112,310,694 |

The credit quality of the Group's assets as of December 31, 2021 and March 31, 2021 is as follows:

| | Neither past due nor impaired | | Past due | Past due | |
|---|---|---|---|---|---|
| **Dec. 31, 2021** | **High grade** | **Standard grade** | **but not impaired** | **and impaired** | **Total** |
| **Cash and cash equivalents** | **14,726,045** | **-** | **-** | **-** | **P 14,726,045** |
| **Financial asset at FVOIC** | **-** | **57,201,460** | **-** | **31,540** | **57,233,000** |
| **Advances to related parties** | **-** | **65,062,768** | **-** | **-** | **65,062,768** |
| | **P 14,726,045** | **P 122,264,228** | **-** | **31,540.00** | **P 137,021,813** |

| | Neither past due nor impaired | | Past due | Past due | |
|---|---|---|---|---|---|
| FY March 31, 2021 | High grade | Standard grade | but not impaired | and impaired | Total |
| Cash and cash equivalents | 11,259,058 | - | - | - | P 11,259,058 |
| Trade receivables | | 4,979,948 | | | 4,979,948 |
| FVOCI financial assets | - | 57,233,000 | - | - | 57,233,000 |
| | P 11,259,058 | P 62,212,948 | P - | P - | P 73,472,006 |

High grade cash and cash equivalents are short-term placements placed, invested, or 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 asset . 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 securities.

*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:

| | | Dec. 31, 2021 | | FY March 31, 2021 |
|---|---|---|---|---|
| Equity | P | 2,139,698,239 | P | 2,143,209,820 |
| Total assets | | 3,755,736,664 | | 3,737,114,412 |
| Ratio | | 0.57 | | 0.57 |

## 7. Cash

Cash accounts with the banks generally earn interest at rates based on prevailing bank deposit rates. Cash in bank amounted to P14,726,045 and P11,259,058 as of December 31, 2021 and March 31, 2021, respectively.

## 8. Trade Receivables

Trade receivables represents receivables from sale of aggregates amounting to P1,363,271 as at December 31, 2021 and P4,979,948 as at March 31, 2021. Current portion of the receivable is P1,363,271.

## 9. Inventories

This account consist of the following:

| | | **Dec. 2020** | | FY March 2021 |
|---|---|---|---|---|
| Stockpile inventory | **P** | **8,114,892** | P | 7,643,590 |
| Unused production supplies | | **353,546** | | 389,712 |
| | **P** | **8,468,438** | P | 8,033,302 |

## 10. Other Current Assets

The composition of this account is as follows:

| | | Dec. 2021 | | FY March 2021 |
|---|---|---|---|---|
| Input taxes | **P** | **673,338** | P | 1,083,227 |
| Deposits | | **1,645,491** | | 1,541,767 |
| Prepaid taxes | | **6,702,571** | | 6,198,720 |
| | **P** | **9,021,400** | P | 8,823,714 |

## 11. Financial Asset at Fair Value through Other Comprehensive Income

The composition of this account is as follows:

| | | Dec. 2021 | | FY March 2021 |
|---|---|---|---|---|
| Listed shares of stock | **P** | **1,333,000** | P | 1,333,000 |
| Unlisted shares of stock | | **55,900,000** | | 55,900,000 |
| | **P** | **57,233,000** | P | 57,233,000 |

Listed and unlisted shares comprise the investment in Transpacific Broadband Group International, Inc. (TBGI), a publicly listed company in the Philippine Stock Exchange. Fair values were determined thru the published price from Philippine Stock Exchange.

## 12. Investments in Associates - net

This account consists of the following:

| | | Dec. 2021 | | FY March 2021 |
|---|---|---|---|---|
| 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 | | **(13,221,345)** | | (12,865,287) |
| Current year | | **(411,427)** | | (356,058) |
| | | **(13,632,772)** | | (13,221,345) |
| Total | | **862,753,348** | | 863,164,775 |
| Allowance for impairment | | **(11,306,000)** | | (11,306,000) |
| | **P** | **851,447,348** | P | 851,858,775 |

*ATN Solar*
ATN Solar is a grantee of a 25-year Renewable Energy Contract (*service contract*) with the Department of Energy (DOE) under Republic Act 9513 (*the RA*). The service contract grants ATN Solar the exclusive right to explore develop and utilize the solar energy source within Rodriguez, Rizal, as its contract area. More specifically, the contract includes setting up a 30 MW Solar PV Project (*the Solar Project*). The solar project is expected to generate a gross capacity of 33 MW peak of direct current and 30 MW of alternating current to be distributed within Metro Manila with projected revenue of P540 Million per year for the next 25 years.

In the of process setting up the foundation, PV mounting frames and modules and other land developments, the Company have identified the quality of rocks and boulders at the project site to be of commercial use. The Company then under took the production of aggregates.

*MMC*
In 2007, the Company entered into an investment agreement with MMC to participate in the extraction of manganese ores in the former’s mining site. The Company’s participation is in the form of providing financial resources to undertake the mining operations. The Company has financed a total of P7 million that is equivalent to 25% equity interest in MMC. Due to the non-

commencement of mining operation, the Company provided a full impairment loss on its investment in MMC. Furthermore, there were no recent financial information available for MMC.

## 13. Investment Properties

The composition of this account as follows:

| | | |
|---|---|---|
| Land | P | 8,166,410 |
| Condominium units | | 284,554,278 |
| Parking slots | | 26,350,000 |
| Townhouses | | 22,953,001 |
| | P | 342,023,689 |

## 14. Property and Equipment

Property and equipment consists of:

| December 30, 2021 | Land and mine site improvements | Machineries & equioment | Office Furniture & improvements | Transportation Equipment | Right-of-use assets | Total |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| At April 1, 2021 | 2,358,943,606 | 47,025,758 | 6,331,055 | 2,641,072 | 5,238,392 | 2,420,179,883 |
| **Accumulated depreciation** | | | | | | |
| At April 1, 2021 | 13,421 | 470,258 | 6,125,755 | 2,341,072 | 2,145,087 | 11,095,593 |
| Provisions | 53,684 | 1,881,032 | 35,803 | | 723,066 | 2,693,585 |
| At Sept. 30, 2021 | 67,105 | 2,351,290 | 6,161,558 | 2,341,072 | 2,868,153 | 13,789,178 |
| **Carrying value** | | | | | | |
| At Sept. 30, 2021 | P 2,358,876,501 | P 44,674,468 | P 169,497 | P 300,000 | P 2,370,239 | P 2,406,390,705 |

| FY March 31, 2021 | Land and mine site Improvements | Machineries & equioment | Office Furniture & improvements | Transportation Equipment | Right-of-use assets | Total |
|---|---|---|---|---|---|---|
| Cost | | | | | | |
| At April 1, 2020 | - | - | P 6,331,055 | P 2,641,072 | P 5,238,392 | P 14,210,519 |
| Addition | | 47,025,758 | - | | - | 47,025,758 |
| Reclassification | 2,358,943,606 | | - | - | - | 2,358,943,606 |
| At April 1, 2020 | 2,358,943,606 | 47,025,758 | 6,331,055 | 2,641,072 | 5,238,392 | 2,420,179,883 |
| Accumulated depreciation | | | | | | |
| At April 1, 2020 | - | - | 6,089,954 | 2,287,536 | 1,122,024 | 9,499,514 |
| Provisions | 13,421 | 470,258 | 35,801 | 53,536 | 1,023,063 | 1,596,079 |
| At April 1, 2020 | 13,421 | 470,258 | 6,125,755 | 2,341,072 | 2,145,087 | 11,095,593 |
| Carrying value | | | | | | |
| At April 1, 2020 | P 2,358,930,185 | P 46,555,500 | P 205,300 | P 300,000 | P 3,093,305 | P 2,409,084,290 |

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 ₱85.3 million in 2021.

Machineries and equipment in 2021 represent the purchase price including freight and insurance charges for the acquisition of stone and hydraulic cone crusher totaling ₱47 million. This machinery is used for the production of rock aggregates.

## 15. Accounts Payable and Accrued Expenses

This account consists of the following:

| | | Dec. 2021 | | FY March 2021 |
|---|---|---|---|---|
| Taxes payable | **P** | **2,985,000** | P | 2,985,000 |
| Trade | | **1,276,250** | | 1,328,903 |
| Other current liabilities | | **-** | | 156,497 |
| | **P** | **4,261,250** | P | 4,470,400 |

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

- Tax payable pertains to the aggregate amount of taxes payable on sale of unlisted shares;
- Trade payables are noninterest-bearing and are normally settled on a 90-day term;
- Other current liabilities includes unearned rental income and expanded withholding taxes

## 16. Short-term Loans

Short-term loans represents loans from China Banking Corporation (CBC) amounting to P47 million as of December 31, 2021.

The Parent Company has an omnibus line with CBC for a maximum amount of P50 million. The total line of P50M was availed at various date during June 2019 to March 2020. Interest is re-priced every month ranging from 4.75% to 5.00%. The loan has a term of 360 days and is collateralized by a condominium unit in Summit One Tower.

## 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.

## 18. Equity

*Share capital*
Component of share capital is as follows:

| | Authorized share capital | | Subscribed and paid | |
|---|---|---|---|---|
| Title of Issue | Number of shares | Amount | Number of shares | Amount |
| Common | | | | |
| Class A | 4,200,000,000 | P 420,000,000 | 3,700,000,000 | P 370,000,000 |
| Class B | 2,800,000,000 | 280,000,000 | 800,000,000 | 80,000,000 |
| Preferred | 5,000,000,000 | 500,000,000 | - | |
| | 12,000,000,000 | P1,200,000,000 | 4,500,000,000 | P 450,000,000 |

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 have the following features, rights and privileges:
  - (i) Preferred shares are cumulative, non-participating and non-voting;
  - (ii) The dividend rate is based on a formula determined by the BOD, re-prized every 5 years, 7 years, or 10 years
  - (iii) The dividend is payable quarterly on each anniversary of issue date
  - (iv) Holders of preferred shares have preference over holders of common shares;
  - (v) Mandatory redemption on the 5$^{th}$, 7$^{th}$ and 10$^{th}$ year anniversary from issuance.

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 thru conversion of advances from stockholders totaling P632 million at a pre-determined subscription price. As of August 12, 2020 the application for increase in capital is still pending with the Securities and Exchange Commission.

*Unrealized loss on fair value through other comprehensive income/Available-for-sale securities*

The movement of this account is as follows:

| | **Dec. 2021** | FY March 2021 |
|---|---|---|
| Balance at the beginning of the year | **32,617,515** | (3,103,863) |
| Changes in fair value - net of deferred tax | **-** | 35,721,378 |
| | **32,617,515** | 32,617,515 |

## 19. Cost of Sales and Services

The breakdown of this account is as follows:

| | | **Dec 31, 2021** | | **Dec 31, 2020** |
|---|---|---|---|---|
| Cost of aggregates sold | **P** | **11,035,577** | P | - |
| Real estate taxes | | **1,028,870** | | 1,003,687 |
| Cost of property sold | | **-** | | 75,892,857 |
| | **P** | **12,064,447** | P | 76,896,544 |

## 20. Administrative Expenses

The breakdown of this account is as follows:

| | | **Dec 31, 2020** | | **Dec 31, 2019** |
|---|---|---|---|---|
| Communication and association dues | **P** | **3,133,977** | P | 2,323,634 |
| Salaries, wages and benefits | | **2,472,611** | | 1,570,849 |
| Professional fees | | **814,000** | | 636,066 |
| Depreciation and amortization | | **758,869** | | 1,301,322 |
| Rent | | **425,133** | | 425,133 |
| Transportation and travel | | **298,404** | | 802,390 |
| Security services | | **284,352** | | 252,090 |
| Office supplies and printing | | **234,978** | | 126,907 |
| Miscellaneous | | **147,720** | | 547,407 |
| Taxes, licenses and permits | | **101,956** | | 241,932 |
| Insurance | | **75,530** | | 155,483 |
| Representation | | **50,000** | | 109,710 |
| | **P** | **8,797,530** | P | 8,492,925 |

## 21. Related Party Transactions

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

(i) Due from related parties

| | December31, 2021 | | | |
|---|---|---|---|---|
| **Due from related parties** | **Beginning balance** | **Availment** | **Collection** | **Ending balance** |
| **Companies under common control** | | | | |
| **ATN Philippine Solar** | **28,352,873** | **20,609,895** | | **48,962,768** |
| **Transpacific Broadband Group Int'l Inc.** | **15,465,763** | **634,237** | | **16,100,000** |
| **Sierra Madre Consolidated Mines** | **11,756,000** | | | **11,756,000** |
| | **55,574,636** | **21,244,132** | **-** | **76,818,768** |
| **Allowance for ECL** | **11,756,000** | **-** | **-** | **11,756,000** |
| | **43,818,636** | **21,244,132** | **-** | **65,062,768** |

-

| | FY March 31, 2021 | | | |
|---|---|---|---|---|
| Related Parties | Beginning balance | Availment | Collection | Ending balance |
| Associates | | | | |
| ATN Phils. Solar Energy Group Inc. | P 3,794,831 | P 23,923,805 | - | P 27,718,636 |
| Companies under common control | | | | |
| Transpacific Broadband Group Int;l Inc. | 13,100,000 | 16,100,000 | 13,100,000 | 16,100,000 |
| Sierra Madre Consolidated Mines | 11,756,000 | - | - | 11,756,000 |
| Stockholders | 2,560,677 | - | 2,560,677 | - |
| | 31,211,508 | 40,023,805 | 15,660,677 | 55,574,636 |
| Allowance for ECL | 11,756,000 | - | - | 11,756,000 |
| | P 19,455,508 | P 40,023,805 | P 15,660,677 | P 43,818,636 |

There were no provisions for ECL during 2021 and 2020 covering Due from related parties.

(ii) Due to related parties

| | December 31, 2021 | | | |
|---|---|---|---|---|
| **Due to related parties** | **Beginning balance** | **Availment** | **Collection** | **Ending balance** |
| **Companies under common control** | | | | |
| **Unipage Management Inc.** | **288,338,492** | **27,560,012** | | **315,898,504** |
| **Transpacific Broadband Group Int'l Inc.** | **-** | **1,978,578** | | **1,978,578** |
| **Stockholders** | **514,756,721** | **-** | **(1,769,880)** | **512,986,841** |
| | **803,095,213** | **29,538,590** | **(1,769,880)** | **830,863,923** |

-

| | FY March 31, 2021 | | | |
|---|---|---|---|---|
| Due to related parties | Beginning balance | Availment | Collection | Ending balance |
| Companies under common control | | | | |
| Unipage Management Inc. | P 180,845,525 | 55,949,072 | - | P 236,794,597 |
| Transpacific Broadband Group Int'l Inc. | 1,705,810 | - | 1,071,573 | 634,237 |
| Stockholders | 510,364,736 | 55,301,643 | - | 565,666,379 |
| | P 692,916,071 | P 111,250,715 | P 1,071,573 | P 803,095,213 |

The details of subsidiaries' accounts that were eliminated in the process of consolidation are as follows:

| | | Dec. 2021 | | FY March 2021 |
|---|---|---|---|---|
| AHCDC | **P** | **11,707,392** | P | 10,768,671 |
| MCPI | | **8,642,328** | | 8,542,328 |
| PLDI | | **27,392,945** | | 30,386,720 |
| | **P** | **47,742,665** | P | 49,697,719 |

The Group did not recognize any key management compensation nor provided any stock options and bonuses as of December 31, 2021 and for the fiscal years ended March 31, 2021.

## 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:

| | Dec 31, 2021 | Dec. 31, 2020 |
|---|---|---|
| Earnings | **(3,511,681)** | (4,702,056) |
| Divided by : | | |
| Weighted Average Shares | **4,500,000,000** | 4,500,000,000 |
| Earning per share | **(0.001)** | **(0.001)** |

## 23. Segment Information

For management reporting purposes, the Group is divided into two (2) reportable segments as 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 December 31, 2021**

| | Real estate leasing | Aggregates | Non-segment items | Total |
|---|---|---|---|---|
| **Revenues** | **8,171,267** | **11,426,588** | **12,760** | **19,610,615** |
| **Cost and expenses** | **1,028,870** | **11,035,577** | **-** | **12,064,447** |
| **Segment results** | **(2,671,225)** | **(637,325)** | **(203,030)** | **(3,511,580)** |
| **Segment assets** | **1,315,184,586** | **2,440,552,078** | | **3,755,736,664** |
| **Segment liabilities** | **829,530,016** | **786,508,408** | **-** | **1,616,038,424** |
| **Non-cash expenses** | | | | **-** |
| **Depreciation** | **758,869** | **1,934,704** | **-** | **2,693,573** |

As of December 31, 2020

| | Real estate | Aggregates | Non-segment items | Total |
|---|---|---|---|---|
| Revenues | 86,761,492 | 375,157 | 23,887 | 87,160,536 |
| Cost and expenses | 76,821,361 | 75,183 | - | 76,896,544 |
| Segment results | (2,935,403) | (1,766,653) | | (4,702,056) |
| Segment assets | 2,481,905,102 | 1,183,121,115 | | 3,665,026,217 |
| Segment liabilities | 827,931,584 | 730,349,769 | | 1,558,281,353 |
| Non-cash expenses | | | | - |
| Depreciation | 854,638 | 483,679 | | 1,338,317 |

## 24. Events after Reporting Date

*COVID -19 Pandemic*
On March 11, 2020, the World Health Organization declared a global pandemic as a result of increasing number of COVID-19 cases worldwide. This was followed by the President of Philippines' issuance of Presidential Proclamation Order No. 929 declaring a State of Calamity in the Country from the COVID-19 outbreak. These events resulted to a slowdown in the Philippine economy as lockdowns and quarantine measures were put in place. While the financial impact is considered a non-adjusting event, the effect on the Group's operations and financial performance, however, cannot be reasonably determined as at December 31, 2021. The Company believes that it can remain on a going concern when the State of Calamity is lifted.

## 25. Other SEC requirements

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

1. There is no seasonality or cyclicality 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 | | Managed Care | |
|---|---|---|---|---|---|---|---|---|
| | Dec. 2021 | Dec. 2020 | Dec. 2021 | Dec. 2020 | Dec. 2021 | Dec. 2020 | Dec. 2021 | Dec. 2020 |
| Current Ratio | 4.02 | 4.02 | 15.50 | 7.64 | - | - | - | - |
| Debt to Equity Ratio | 0.74 | 0.74 | 0.47 | 0.43 | 2.70 | 2.70 | 1.14 | 1.14 |
| Asset to Equity Ratio | 1.74 | 1.74 | 1.47 | 1.43 | 4.26 | 4.26 | 0.14 | 0.14 |
| Interest Rate Coverage Ratio | (2.87) | (2.87) | (22.80) | 3.56 | - | - | - | - |
| Gross Profit Margin | 38% | 12% | 10% | 10% | - | - | - | - |
| EBITDA | Php (2,265,951) | Php (4,217,474) | Php 177,814 | Php (803,053) | - | - | - | - |
| Net Income to Sales Ratio | -18% | -43% | 10.00% | 2.00% | - | - | - | - |
| Net Income (loss) | -PhP3,511,581 | -PhP4,702,056 | -PhP637,326 | -PhP1,673,556 | -PhP101,450 | -PhP103,329 | -PhP101,580 | -PhP2,727,692 |

On a consolidated basis, ATN accounts that changed by more than 5% compared to quarter ending December 31, 2021 financial statements are as follows:

1. Cash and cash equivalent increased to Php14.7 million from Php11.2 million (31%).
2. Trade receivables decreased to Php1.3 million from Php4.9 million (-73%)
3. Inventories increased to Php8.5 million from Php8.03 million (5%)
4. Due from related parties increased to Php65 million from Php43 million (48%)
5. Accounts payable and accrued expenses increased to Php4.6 million from Php4.4 million (3%)
6. Short-term Interest bearing loans decreased to Php47 million from Php50 million (-6%).
7. Deposits decreased to Php19.7 million from Php21 million (-8%)
8. Total revenue decreased as of December 31, 2021 to Php19.6 million compared to P87 million as of December 31, 2020 (-77%).

9. Cost of sales and services decreased as of December 31, 2021 to Php12 million compared to Php76.9 million as of December 31, 2020 due to sale of real estate (-84%)
10. Administrative expenses increased from Php8.5 million in December 2020 compared to Php8.8 million in December 2021. The following are the accounts with more than 5% change:
    a. Increased in communication and dues by Php810 thousand (35%)
    b. Increased in salaries and wages by Php901 thousand (57%)
    c. Increased in professional fees by Php178 thousand (28%).
    d. Decreased in depreciation and amortization by Php542 thousand (-42%)
    e. Decreased in transportation and travel by Php504 thousand (-62%)
    f. Increased in security services by Php32 thousand (12%)
    g. Increased in Office supplies and printing by Php108 thousand (85%)
    h. Decreased in taxes and licenses by Php140 thousand (-57%)
    i. Decreased in insurance by Php80 thousand (-51%)
    j. Decreased in representation and entertainment by Php60 thousand (-54%)

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
February 10, 2022

**CELINIA FAELMOCA**
Principal Accounting Officer
February 10, 2022