

From: Philippine Stock Exchange <no-reply@pse.com.ph>
Sent: Thursday, May 8, 2025 1:14 PM
Subject: Quarterly Report

Dear Sir/Madam:

Your disclosure was approved as Company Report. Details are as follows:

Company Name: APC Group, Inc.
Reference Number: 0015472-2025
Date and Time: Thursday, May 08, 2025 13:14 PM
Template Name: Quarterly Report
Report Number: CR03186-2025

Best Regards,
PSE EDGE

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The Philippine Stock Exchange, Inc., 6th to 10th Floors, PSE Tower, 5th Avenue corner 28th Street,
Bonifacio Global City, Taguig City, Philippines 1634

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
Mar 31, 2025
2. SEC Identification Number
AS93008127
3. BIR Tax Identification No.
002-834-075-000
4. Exact name of issuer as specified in its charter
APC GROUP, INC.
5. Province, country or other jurisdiction of incorporation or organization
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
G/F MyTown New York Bldg. General E. Jacinto St. cor. Capas St., Brgy. Guadalupe
Nuevo, Makati City
Postal Code
1212
8. Issuer's telephone number, including area code
(632) 8662-8888
9. Former name or former address, and former fiscal year, if changed since last report
NA
10. Securities registered pursuant to Sections 8 and 12 of the SRC or 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	7,504,203,997
11. Are any or all of registrant's securities listed on a Stock Exchange?
 Yes No
 If yes, state the name of such stock exchange and the classes of securities listed therein:
 Philippine Stock Exchange, Inc. / Common Stock
12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

Yes No

(b) has been subject to such filing requirements for the past ninety (90) days

Yes No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



APC Group, Inc. APC

PSE Disclosure Form 17-2 - Quarterly Report *References: SRC Rule 17 and Sections 17.2 and 17.8 of the Revised Disclosure Rules*

For the period ended	Mar 31, 2025
Currency (indicate units, if applicable)	Philippine Peso

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Mar 31, 2025	Dec 31, 2024
Current Assets	20,976,658	25,255,659
Total Assets	258,665,777	262,859,492
Current Liabilities	107,681,292	110,975,089
Total Liabilities	109,008,141	112,301,937
Retained Earnings/(Deficit)	-19,815,222	-18,926,551

Stockholders' Equity	149,657,636	150,557,555
Stockholders' Equity - Parent	156,731,671	157,620,342
Book Value per Share	0.02	0.02

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	0	0	0	0
Gross Expense	0	0	0	0
Non-Operating Income	231,057	183,227	231,057	183,227
Non-Operating Expense	1,130,537	1,211,594	1,130,537	1,211,594
Income/(Loss) Before Tax	-899,480	-1,028,367	-899,480	-1,028,367
Income Tax Expense	439	297	439	297
Net Income/(Loss) After Tax	-899,918	-1,028,664	-899,918	-1,028,664
Net Income Attributable to Parent Equity Holder	-888,671	-1,024,743	-888,671	-1,024,743
Earnings/(Loss) Per Share (Basic)	0	0	0	0
Earnings/(Loss) Per Share (Diluted)	0	0	0	0

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0	0
Earnings/(Loss) Per Share (Diluted)	0	0

Other Relevant Information

None.

Filed on behalf by:

Name	Ian Jason Aguirre
Designation	President and CEO

SEC Number AS93008127
File Number _____

APC GROUP, INC.
(Company's Full Name)

**G/F MyTown New York Bldg.
General E. Jacinto St. cor. Capas St.
Brgy. Guadalupe Nuevo, Makati City**
(Company's Address)

(632) 8662-8888
(Telephone Numbers)

31 March 2025
(Quarter Ending)

SEC FORM 17-Q
(Form Type)

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 three months ended **31 March 2025**
2. SEC identification number: **AS93008127**
3. BIR Tax Identification No. **002-834-075-000**
4. Exact name of registrant as specified in its charter: **APC Group Inc.**
5. Province, country or other jurisdiction of incorporation or organization: **Philippines**
6. Industry Classification Code: (SEC Use Only)
7. Address of registrant's principal office:
**G/F MyTown New York Bldg. General E. Jacinto St. cor. Capas St.,
Brgy. Guadalupe Nuevo, Makati City, 1212**
8. Registrant's telephone number, including area code: **(632) 8662-8888**
9. Former name, former address and former fiscal year, if changed since last report:
n/a
10. Securities registered pursuant to Sections in Securities Regulation Code

<u>Title of each class</u>	<u>Number of shares outstanding</u>
Common Stock, ₱0.01 par value	7,504,203,997

11. Are any or all of the Securities listed on the Philippine Stock Exchange? **Yes**
12. Indicate whether the registrant:
 - a) Has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the SRC and SRC Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports).
Yes
 - b) Has been subject to such filing requirements for the past 90 days.
Yes

APC GROUP, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

FOR THE THREE MONTHS ENDED

31 March 2025

PART I FINANCIAL INFORMATION

Item 1. Financial Statements

APC GROUP INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	P 19,684,599	P 23,788,656
Trade and other receivables - net	1,269,737	1,409,288
Other current assets	22,321	57,716
Total Current Assets	20,976,658	25,255,659
Noncurrent Assets		
Deferred exploration costs	218,054,455	218,054,455
Investment property	9,156,000	9,156,000
Other noncurrent assets	10,478,665	10,393,378
Total Noncurrent Assets	237,689,120	237,603,833
	P 258,665,777	P 262,859,492
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	P 27,702,662	P 30,996,458
Advances from a related party	79,978,631	79,978,631
Total Current Liabilities	107,681,292	110,975,089
Noncurrent Liabilities		
Accrued retirement costs	1,011,648	1,011,648
Deferred tax liability	315,201	315,201
Total Noncurrent Liabilities	1,326,849	1,326,849
Total Liabilities	109,008,141	112,301,937
Equity Attributable to Equity Holders of the Parent Company		
Capital stock	63,880,788	63,880,788
Additional paid-in capital	144,295,958	144,295,958
Remeasurement loss on defined benefit obligation	945,602	945,602
Equity reserves	(3,140,235)	(3,140,235)
Deficit	(19,815,222)	(18,926,551)
Treasury shares - 7,606,000 shares	(29,435,220)	(29,435,220)
Total Equity Attributable to Equity Holders of the Parent Company	156,731,671	157,620,342
Equity Attributable to Non-controlling Interests	(7,074,034)	(7,062,787)
Total Equity	149,657,636	150,557,555
	P 258,665,777	P 262,859,492

APC GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	2025		2024	
	1st Quarter (January to March)	Year-to-date (January to March)	1st Quarter (January to March)	Year-to-date (January to March)
INCOME				
Interest income	P 209,131	P 209,131	P 168,366	P 168,366
Other income	21,927	21,927	14,861	14,861
	231,057	231,057	183,227	183,227
EXPENSES				
General and administrative expenses	(1,130,537)	(1,130,537)	(1,211,594)	(1,211,594)
NET INCOME (LOSS) BEFORE INCOME TAX	(899,480)	(899,480)	(1,028,367)	(1,028,367)
Provision for income tax	(439)	(439)	(297)	(297)
NET INCOME (LOSS) AFTER INCOME TAX	(899,918)	(899,918)	(1,028,664)	(1,028,664)
OTHER COMPREHENSIVE INCOME (LOSS)				
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	-	-	1,271,800	1,271,800
TOTAL COMPREHENSIVE INCOME (LOSS)	P (899,918)	(899,918)	P 243,136	243,136
Net Income (Loss) Attributable to:				
Equity holders of the Parent Company	(888,671)	(888,671)	(1,024,743)	(1,024,743)
Non-controlling interests	(11,247)	(11,247)	(3,921)	(3,921)
	(899,918) P	(899,918)	(1,028,664) P	(1,028,664)
Total Comprehensive Income (Loss) Attributable to:				
Equity holders of the Parent Company	(888,665)	(888,665)	247,057	247,057
Non-controlling interests	(11,247)	(11,247)	(3,921)	(3,921)
	(899,912) P	(899,912)	243,136 P	243,136
Basic/Diluted Income (Loss) Per Common Share				
(P-888,671/7,504,203,997) March 31, 2025	P	(0.000118)		
(P-1,024,743/7,504,203,997) March 31, 2024			P	(0.000137)
Weighted average number of common shares:				
Total common shares		7,511,809,997		7,511,809,997
Less: Treasury shares		7,606,000		7,606,000
Weighted average common shares		7,504,203,997		7,504,203,997

APC GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Three Months Ended March 31,				
		2025		2024
		(Unaudited)		(Unaudited)
Authorized:				
Preferred stock - P0.01 par value		6,000,000,000 shares		6,000,000,000 shares
Common stock - P0.01 par value		14,000,000,000 shares		14,000,000,000 shares
<hr/>				
Issued	P	59,981,491	P	59,981,491
Subscribed (net of subscription receivable)		3,899,297		3,899,297
Capital stock		63,880,787		63,880,787
<hr/>				
Additional paid-in capital		144,295,958		144,295,958
<hr/>				
Unrealized gain/loss on financial assets at fair value through other comprehensive income				
Balance at the beginning of period		-		3,158,169
Unrealized gain/loss		-		1,271,800
Balance at the end of period		-		4,429,969
<hr/>				
Remeasurement loss on defined benefit obligation		945,602		(210,435)
<hr/>				
Equity Reserves		(3,140,235)		(3,140,235)
<hr/>				
Deficit				
Balance at the beginning of period		(18,926,551)		(18,128,405)
Net loss		(888,671)		(1,024,743)
Balance at the end of period		(19,815,222)		(19,153,148)
<hr/>				
Treasury shares - 7,606,000 shares		(29,435,220)		(29,435,220)
<hr/>				
Minority interest		(7,074,034)		(7,045,170)
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	P	149,657,636	P	153,622,506

APC GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Three Months Ended March 31,			
	2025		2024	
	(Unaudited)		(Unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss after income tax	P	(899,918)	P	(1,028,664)
Adjustments for:				
Interest income		(209,131)		(168,366)
Operating income (loss) before working capital changes		(1,109,049)		(1,197,031)
Decrease (increase) in:				
Trade and other receivables		139,550		(42,497)
Other current assets		35,394		(33,057)
Other noncurrent assets		(85,287)		(49,740)
Increase (decrease) in trade and other payables		(3,293,797)		(3,799,103)
Cash used in operations		(4,313,188)		(5,121,428)
Interest received		209,131		168,366
Net cash used in operating activities		(4,104,057)		(4,953,061)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(4,104,057)		(4,953,061)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		23,788,656		26,147,184
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P	19,684,599	P	21,194,123

Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations

Consolidated Statements of Financial Position

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)	Horizontal Analysis Increase (Decrease)		Vertical Analysis	
			Amount	%	2025 %	2024 %
ASSETS						
Current Assets						
Cash and cash equivalents	P 19,684,599	P 23,788,656	(4,104,057)	-17%	8%	9%
Trade and other receivables - net	1,269,737	1,409,288	(139,550)	-10%	0%	1%
Other current assets	22,321	57,716	(35,394)	-61%	0%	0%
Total Current Assets	20,976,658	25,255,659	(4,279,002)	-17%	8%	10%
Noncurrent Assets						
Deferred exploration costs	218,054,455	218,054,455	-	0%	84%	83%
Investment property	9,156,000	9,156,000	-	0%	4%	3%
Other noncurrent assets	10,478,665	10,393,378	85,287	1%	4%	4%
Total Noncurrent Assets	237,689,120	237,603,833	85,287	0%	92%	90%
	P 258,665,777	P 262,859,492	(4,193,715)	-2%	100%	100%
LIABILITIES AND EQUITY						
Current Liabilities						
Trade and other payables	P 27,702,662	P 30,996,458	(3,293,797)	-11%	11%	12%
Advances from a related party	79,978,631	79,978,631	-	0%	31%	30%
Total Current Liabilities	107,681,292	110,975,089	(3,293,797)	-3%	42%	42%
Noncurrent Liabilities						
Accrued retirement costs	1,011,648	1,011,648	-	0%	0%	0%
Deferred tax liability	315,201	315,201	-	0%	0%	0%
Total Noncurrent Liabilities	1,326,849	1,326,849	-	0%	1%	1%
Total Liabilities	109,008,141	112,301,937	(3,293,797)	-3%	42%	43%
Equity Attributable to Equity Holders of the Parent Company						
Capital stock	63,880,788	63,880,788	-	0%	25%	24%
Additional paid-in capital	144,295,958	144,295,958	-	0%	56%	55%
Remeasurement loss on defined benefit obligation	945,602	945,602	-	0%	0%	0%
Equity reserves	(3,140,235)	(3,140,235)	-	0%	-1%	-1%
Deficit	(19,815,222)	(18,926,551)	(888,671)	-5%	-8%	-7%
Treasury shares - 7,606,000 shares	(29,435,220)	(29,435,220)	-	0%	-11%	-11%
Total Equity Attributable to Equity Holders of the Parent Company	156,731,671	157,620,342	(888,671)	-1%	61%	60%
Equity Attributable to Non-controlling Interests	(7,074,034)	(7,062,787)	(11,247)	0%	-3%	-3%
Total Equity	149,657,636	150,557,555	(899,918)	-1%	58%	57%
	P 258,665,777	P 262,859,492	(4,193,715)	-2%	100%	100%

As at March 31, 2025, consolidated assets of APC Group, Inc. and its subsidiaries (the Group) amounted to ₱258.7M million, ₱4.2 million (2%) lower compared to the December 31, 2024 balance of ₱262.9 million.

- Cash decreased primarily due to several payments, including ₱2.8 million for the accrued retirement fee of one employee, ₱0.3 million for the annual listing maintenance fee to PSE, ₱0.1 million for the legal retainer's fee, and ₱1.3 million for various general and administrative (G&A) expenses. These outflows were partially offset by ₱0.2 million in interest from banks and ₱0.2 million in proceeds from receivables.

The Group's consolidated liabilities amounted to ₱109.0 million. The movement in this account pertains to the payment of the accrued and other payables.

Total equity as at March 31, 2025 and December 31, 2024 amounted to ₱149.7 million and ₱150.6 million, respectively. The decrease, amounting to ₱0.9 million, is attributable to the net loss obtained during the period.

There were no off-balance sheet transactions.

Consolidated Statements of Comprehensive Income

	2025		2024		Horizontal Analysis		Vertical Analysis	
	1st Quarter (January to March)	Year-to-date (January to March)	1st Quarter (January to March)	Year-to-date (January to March)	Increase (Decrease) Amount	%	2025 %	2024 %
INCOME								
Interest income	P 209,131	P 209,131	P 168,366	P 168,366	40,764	24%	91%	92%
Other income	21,927	21,927	14,861	14,861	7,066	48%	9%	8%
	231,057	231,057	183,227	183,227	47,830	26%	100%	100%
EXPENSES								
General and administrative expenses	(1,130,537)	(1,130,537)	(1,211,594)	(1,211,594)	81,057	7%	-489%	-661%
NET INCOME (LOSS) BEFORE INCOME TAX	(899,480)	(899,480)	(1,028,367)	(1,028,367)	128,887	13%	-389%	-561%
Provision for income tax	(439)	(439)	(297)	(297)	(141)	-48%	0%	0%
NET INCOME (LOSS) AFTER INCOME TAX	(899,918)	(899,918)	(1,028,664)	(1,028,664)	128,746	13%	-389%	-561%
OTHER COMPREHENSIVE INCOME (LOSS)								
Unrealized gain (loss) on financial assets at fair value through other comprehensive income	-	-	1,271,800	1,271,800	(1,271,800)	-100%	0%	694%
TOTAL COMPREHENSIVE INCOME (LOSS)	P (899,918)	(899,918)	P 243,136	243,136	(1,143,054)	-470%	-389%	133%

The Group ended the first quarter of 2025 with a net loss of ₱0.9 million. This is an improvement compared to the net loss incurred in the same period in 2024, primarily due to lower expenses related to the service fee for the redesign of the Group's website and higher interest income from banks.

There is no unrealized gain on financial assets at fair value for the PLC shares this year, as the shares were sold in the previous year.

As at March 31, 2025, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Group;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Group's short-term or long-term liquidity;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations;
- Significant elements of income or loss that did not arise from the Group's continuing operations;
- Seasonal aspects that had a material impact on the Group's results of operations; and
- Material changes in the financial statements of the Group for the periods ended March 31, 2025 and March 31, 2024, except those mentioned above.

KEY PERFORMANCE INDICATORS

Management uses the following key performance indicators to evaluate the performance of the Group. Except for Net Income, these key performance indicators are not measurements in accordance with Philippine Financial Reporting Standards (PFRS) and should not be considered as an alternative to net income or any other measure of performance which are in accordance with PFRS.

1. **Return on Assets Ratio (ROA).** Return on Assets is an indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings and is calculated by dividing the Group's annual earnings by its total assets.
2. **Return on Equity Ratio (ROE).** Return on Equity measures how much profit is generated with the money shareholders have invested in the Company. It is expressed as a percentage and calculated by dividing net income by total Stockholders' Equity.
3. **Current Ratio.** Current ratio is computed by dividing current assets by current liabilities. This indicates the liquidity of the Group in the short term and measures the peso amount of current asset available to cover a peso amount of current liability.
4. **Debt-to-Equity Ratio (DER).** DER gives an indication of the Group's leverage position and is computed by dividing total liabilities with total stockholders' equity.
5. **Asset-to-Equity Ratio (AER).** Asset-to-Equity Ratio is computed using total assets divided by the total stockholders' equity. This ratio shows the relationship of the total assets of the firm owned by shareholders and an indicator of the leverage used to finance the Group.

The table below shows the comparative figures of the key performance indicators for the period in review.

	Current YTD	Previous Year	Previous YTD
	YTD	YTD	YTD
	March 31, 2025	December 31, 2024	March 31, 2024
Return on Assets Ratio	(0.00)	(0.02)	(0.00)
Return on Equity Ratio	(0.01)	(0.04)	(0.01)
Current Ratio	0.19	0.23	0.21
Debt to Equity Ratio	0.73	0.75	0.73
Asset to Equity Ratio	1.73	1.75	1.73

Discussion on the key performance indicators

Return on Assets Ratio

The Group's ROA as at March 31, 2025 and March 31, 2024 is negative due to the reported net loss in 2025 and 2024.

Return on Equity Ratio

The Group's ROE as at March 31, 2025 and March 31, 2024 is negative due to the reported net loss in 2025 and 2024.

Current Ratio

Current ratio decreased from 0.23 as at December 31, 2024 to 0.19 as at March 31, 2025 due to lower current liabilities this year.

Debt to Equity Ratio

Debt to equity ratio decreased from 0.75 as at December 31, 2024 to 0.73 as at March 31, 2025 due to lower total liabilities this year.

Assets to Equity Ratio

Asset to equity ratio decreased from 1.75 as at December 31, 2024 to 1.73 as at March 31, 2025 due to lower total assets this year.

PART II OTHER INFORMATION

Other than what has been reported, no event has since occurred.

ANNEX TO THE MD&A SECTION

1. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries (collectively referred to as the “Group”):

Subsidiaries	Percentage of Ownership		
	Direct	Indirect	Total
Aragorn Power & Energy Corporation (APEC) ⁽¹⁾	97.6%	-	97.6%
PRC Magma Energy Resources Inc. (PRC-Magma) ⁽²⁾	-	85.0%	85.0%
APC Cement Corporation (APC Cement) ⁽²⁾	100.0%	-	100.0%
APC Energy Resources, Inc. (APC Energy) ⁽²⁾	100.0%	-	100.0%
APC Mining Corporation (APC Mining) ⁽²⁾	83.3%	-	83.3%

(1) Still in exploration stage

(2) Still in the pre-operating stage

2. RISK EXPOSURES

Financial Risk Management

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group’s objectives are achieved. The Group’s risk management takes place in the context of day-to-day operations and normal business processes such as strategic planning and business planning. It is also established to identify and manage the Group’s exposure to financial risks, to set appropriate transaction limits and controls, and to monitor and assess risks and compliance to internal control policies.

Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the established business objectives. The BOD has overall responsibility for the establishment and oversight of the Group’s risk management framework. Risk management policies and structure are reviewed regularly to reflect changes in market conditions and the activities of the Group.

The Group’s principal financial instruments comprise of cash and cash equivalents, receivables, security deposits, trade and other payables (excluding statutory payables), and advances from a related party.

The main risks arising from the Group’s financial instruments are credit risk, liquidity risk and interest rate risk. The BOD reviews and approves policies for managing these risks. These are summarized below.

Credit Risk

Credit risk is the risk that the obligations of the Group will not be repaid on time and in full as contracted, resulting in a financial loss. It is inherent to the business as potential losses may arise due to the failure of its counter parties to fulfill their obligations on maturity dates or due to adverse market conditions.

Generally, the credit risk of the Group is attributable to financial assets at amortized cost. The Group maintains credit policies and continuously monitors defaults of customers and other counter parties, identified either individually or by group, and incorporate this information into its credit risk controls. Managing credit risk has both qualitative and quantitative aspects. Credit officers must evaluate the credit quality of the counterparties and assign internal credit ratings upon this evaluation.

The Group defines credit exposure as all transactions where losses might occur due to the fact that counterparties may not fulfill their contractual payment obligations based on original contractual terms. The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets. Credit risk from cash in banks is mitigated by transacting only with reputable banks duly approved by management.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's objectives to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking adverse effect to the Group's credit standing.

The Group seeks to manage its liquid funds through cash planning on a weekly basis. As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities.

Equity Price Risk

The Group's investments in equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's BOD reviews and approves all equity investment decisions.

There is no material change in the financial risk exposures of the Parent Company and its subsidiaries particularly on currency, interest, credit, market and liquidity risks on its March 31, 2025 interim financial statements compared to the December 31, 2024 audited consolidated financial statements of APC Group Inc. and subsidiaries.

Fair value of Financial Instruments

A comparison by category of the carrying values and estimated fair values of the Group's financial instruments that are carried in the consolidated financial statements as at March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025		December 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets:				
Loans and receivables:				
Cash and cash equivalents*	19,635,399	19,635,399	23,738,656	23,738,656
Trade and other Receivables	1,269,737	1,269,737	1,409,288	1,409,288
Deposits**	23,821	23,821	23,821	23,821
Total financial assets	20,928,958	20,928,958	25,171,765	25,171,765
Financial liabilities:				
Other financial liabilities:				
Trade and other payables***	27,690,878	27,690,878	30,965,369	30,965,369
Advances from related parties	79,978,631	79,978,631	79,978,631	79,978,631
Total current financial liabilities	107,669,509	107,669,509	110,944,000	110,944,000

*Excluding cash on hand amounting to ₱49,200 as at March 31, 2025 and ₱50,000 as at December 31, 2024

** Included in "Other noncurrent assets" account

***Excluding statutory liabilities.

Cash and Cash Equivalents, Trade and Other Receivables, Trade and Other Payables and Advances from Related Parties

Due to the short-term nature of the transactions, the carrying values approximate the fair values at reporting dates.

Deposits and Subscription Payable

Due to non-availability of definite payment terms, there is no reliable source of fair values as at reporting dates.

The following tables provide the fair value measurement hierarchy of the Group's assets and liabilities as at March 31, 2025 and December 31, 2024:

March 31, 2025					
	Total		Level 1		Level 3
Assets measured at fair value:					
Investment properties	P	9,156,000	P	–	P 9,156,000
Total financial assets	P	9,156,000	P	0	P 9,156,000

December 31, 2024					
	Total		Level 1		Level 3
Assets measured at fair value:					
Investment properties	P	9,156,000	P	–	P 9,156,000
Total financial assets	P	9,156,000	P	0	P 9,156,000

There were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements during the period ended March 31, 2025 and year ended December 31, 2024.

3. OTHER REQUIRED DISCLOSURES

- A.) The attached interim financial reports were prepared in accordance with accounting standards generally accepted in the Philippines. The accounting policies and methods of computation followed in these interim financial statements are the same compared with the audited financial Statements for the period ended December 31, 2024.
- B.) Except as reported in the Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim period.
- C.) There were no material changes in estimates of amounts reported in prior periods that have material effects in the current interim period.
- D.) Except as disclosed in the MD&A, there were no other issuance, repurchase and repayments of debt and equity securities.
- E.) There were no material events that occurred subsequent to March 31, 2025 and up to the date of this report that need disclosure herein.
- F.) There were no changes in the composition of the Group during the interim period such as business combinations, acquisition or disposals of subsidiaries and long-term investments, restructuring and discontinued operations.
- G.) There were no changes in contingent liabilities or contingent assets since December 31, 2024 and as at March 31, 2025.
- H.) There exist no material contingencies and other material events or transactions affecting the current interim period.



APC GROUP INC.

SIGNATURES

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

Registrant: **APC Group, Inc.**

By:

IAN JASON B. AGUIRRE
President and Chief Executive Officer
Date: May 08, 2025

MARIE JOY C. REYES
Treasurer and Financial Controller, Compliance Officer
Date: May 08, 2025

APPENDIX 1
APC GROUP INC. and SUBSIDIARIES
Aging of Accounts Receivables
As of March 31, 2025

Trade and Other Receivables	Total	1 Month	2 - 3 Months	4 - 6 Months	7 Months to 1 Year	More than 1 year
Trade receivables	1,154,353	64,947	77,667	303,335	532,828	175,576
Advances to officers and employees	76,667	6,667	-	70,000	-	-
Other receivables	38,718	-	-	-	-	38,718
TOTAL	1,269,737	71,614	77,667	373,335	532,828	214,294