

SEC Registration Number

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Company Name

L	O	D	E	S	T	A	R	I	N	V	E	S	T	M	E	N	T	H	O	L	D	I	N	G	S			
C	O	R	P	O	R	A	T	I	O	N																		

Principal Office (No./Street/Barangay/City/Town/Province)

7	/	F	P	E	A	K	S	U	N	B	U	I	L	D	I	N	G	,	1	5	0	5	P	R	I
N	C	E	T	O	N	S	T	R	E	E	,	c	o	r	n	e	r	S	H	A	W	B	O	U	
L	E	V	A	R	D	,	B	R	G	Y	.	W	A	C	-	W	A	C	,	G	R	E	E	N	
H	I	L	L	S	E	A	S	T	M	A	N	D	A	L	U	Y	O	N	G	C	I	T	Y		
H	I	L	L	S	E	A	S	T	M	A	N	D	A	L	U	Y	O	N	G	C	I	T	Y		

Form Type

Department requiring the report

Secondary License Type, If Applicable

2	0	-	1	S
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M	S	R	D
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N	/	A	
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COMPANY INFORMATION

Company's Email Address

Company's Telephone Number/s

Mobile Number

Not Applicable

(632)856-2013

Not Applicable

No. of Stockholders

Annual Meeting
Month/Day

Year/Month

63

Last Wednesday of August

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Email Address

Telephone Number/s

Mobile Number

Arlene Mendoza Wilkerson

famlawyer@gmail.com

(632)823-1192

Not Applicable

Contact Person's Address

7 th Floor, Peaksun Building, Princeton St., Barangay,Wack-Wack, Greenhills East, Mandaluyong City

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

LODESTAR INVESTMENT HOLDINGS CORPORATION
7th Floor Peaksun Building
Princeton cor. Shaw Boulevard, Wack-Wack
Mandaluyong City

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO ALL STOCKHOLDERS:

Please be informed that the Annual Meeting of the Stockholders of Lodestar Investment Holdings Corporation ("Lodestar") shall be held and conducted virtually via secure online meeting platform on Wednesday, 28 December 2020, at 1:30 p.m., for the following purposes:

AGENDA¹

1. Call to Order
2. Determination of Quorum
3. Approval of the Minutes of the Previous Stockholders' Annual Meeting of December 11, 2019.
4. Approval 2019 Annual Report and the 2019 Audited Financial Statement.
5. Ratification of the Acts, Resolutions and Proceeding of the Board of Directors, Corporate Officers and Management up December 11, 2019 to December 8, 2020.
6. Election of the Board of Directors and Independent Directors
7. Appointment of Independent Auditors
8. Other business as may properly be brought the meeting and open forum
9. Adjournment

The record date for stockholders entitled to notice and vote at the Annual Stockholders' Meeting is set on December 9, 2020.

In light of the COVID-19 pandemic and to ensure the welfare and safety of our stockholders, the 2020 Annual Stockholders' Meeting of Lodestar will be conducted virtually. Stockholders of Record may attend/participate via proxy, remote communication, or vote in absentia. For the detailed registration and voting procedures, please visit <https://www.lodestarholdings.com.ph> and refer to the "Guidelines for Participation via Remote Communication and Voting in Absentia and through Proxy."

Stockholders who wish to participate in the meeting via remote communication and to vote in absentia should notify the Office of the Corporate Secretary through a Letter of Intent to be sent via e-mail to ilodestar@yahoo.com on or before December 18, 2020. Validated stockholders will be provided access to the live streaming of the meeting and can cast their votes in absentia on or before December 22, 2020 through Lodestar's secure online voting facility. All votes cast shall be subject to validation.

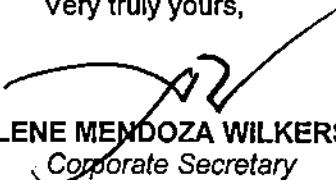
Lodestar is not soliciting for proxies. Stockholders who are unable to join the meeting but wish to vote on items in the Agenda by proxy must submit their duly accomplished proxy forms via email to ilodestar@yahoo.com, not later than December 18, 2020.

Stockholders of Record may send their inquiries and comments to the Management Report and other items in the Agenda to ilodestar@yahoo.com on or before December 18, 2020.

¹ See next page for the explanation of each agenda item.

The Definitive Information Statement containing the attendance/voting (via remote communication) and election procedures, along with the Notice, Agenda, Proxy, Management Report, SEC Form 17-A, and other information related to the Annual Stockholders' Meeting can be accessed at <http://www.nihaominerals.com>.

Very truly yours,


ARLENE MENDOZA WILKERSON
Corporate Secretary

EXPLANATION OF AGENDA ITEMS

Call to order

The Chairman will formally open the meeting at approximately 1:30 o'clock in the afternoon.

Certification of Notice and Quorum

The Corporate Secretary will certify that written notice for the meeting were duly sent to stockholders and that notices were published twice in a newspaper of national circulation. He will also confirm if a quorum exists for the transactions of the business agenda.

Approval of the 2019 Annual Report and the Audited Financial Statement

The Chairman/President will report on the performance of the Company in 2019 and outlook for 2020. Copies of the Annual Report will be posted on the Company's website <https://www.lodestarholdings.com.ph> and PSE EDGE Portal via <http://edge.pse.com.ph>.

The Audited Financial Statements as of December 31, 2019 (AFS), as approved by the Board upon the recommendation of the Audit Committee, will be embodied in the Information Statement that will be posted on the Company's website <https://www.lodestarholdings.com.ph> and PSE EDGE Portal via <http://edge.pse.com.ph>

Ratification of the Acts of Board of Directors and Officers

The Actions of the Board and its committees were those taken since the Annual Stockholders' Meeting on December 11, 2019 until December 8, 2020.

Election of Directors (including the Independent Directors)

The nominees for directors, including those for independent directors, who have been endorsed by the Nomination Committee, will be presented to the stockholders for the election and who will hold office for one year and until their successors are elected and qualified.

Appointment of External Auditor

The Audit Committee of the Board will endorse to the stockholders the appointment of the external auditor for the ensuing year. The external auditor conducts as independent verification of the Company's financial statements and provides an objective assurance on the accuracy of its financial statements.

Other business as may properly be brought the meeting

The Chairman will open the floor for comment and questions by the stockholders. The stockholders may raise other matters or issues that may be properly be taken up during the meeting.

LODESTAR INVESTMENT HOLDINGS CORPORATION
2020 ANNUAL STOCKHOLDERS' MEETING
December 28, 2020 at 1:30 P.M. through remote communication

**Guidelines for Participating through Remote Communication and
Voting in Absentia and through Proxy**

A. Attendance by Remote Communication and Voting in Absentia

1. Stockholders intending to participate by remote communication and/or voting in absentia should notify the Office of the Corporate Secretary through a Letter of Intent ("LOI") to be sent via e-mail to ilodestar@yahoo.com or before December 22, 2020, complete with the following requirements for validation purposes:

1.1 Indicate the following required information:

- 1.1.1 Complete Registered Name
- 1.1.2 Complete Registered Residential/Mailing Address
- 1.1.3 Active e-Mail Address
- 1.1.4 Active Mobile No.
- 1.1.5 Active Landline No.

1.2 Attach the following documents (e-copy/scanned copy):

- 1.2.1 Valid government-issued ID with photo and signature (scanned front and back)

1.2.2 Proof of Ownership, such as, but not limited to, the following:

- a) Stockholder's certificate (for certificated shares); or
- b) Broker's certification (for scripless or uncertificated shares); or
- c) Secretary's certificate for authorized representative (for corporate)

1.2.3 Other supporting documents/s, as applicable

2. The Office of the Corporate Secretary shall forward the email containing the LOI and its attachments to the Company's stock transfer agent, Banco de Oro Unibank, Inc. - Trust Banking Group. The validation process will be completed by the stock transfer agent no later than three (3) business days from its receipt of the LOI. The Company's stock transfer agent reserves the right to request for additional information and documents, as needed/necessary. Moreover, electronic signature for the required documents shall be allowed while notarization requirement shall not be considered for the meantime, as applicable, given the current situation.
3. Once validated/verified, a stockholder shall be provided a confirmation correspondence with secure links for virtual meeting registration and voting in absentia. For security purposes, the confirmation correspondence which includes access credentials, links and instructions for participation through remote communication and voting in absentia shall only be sent to the stockholder's email address, and if necessary, notification shall be sent to the stockholder's mobile number provided.
 - 3.1 A verified stockholder shall have to access the corresponding link in order to be able to join the virtual meeting on the Annual Stockholders' Meeting day.

3.2 A verified stockholder may cast his vote on each of the agenda items as contained in the link included in the confirmation correspondence. Deadline to vote in absentia through its corresponding link is on December 18, 2020. Beyond this date, stockholders may no longer avail of the option to vote in absentia. The Office of the Corporate Secretary shall then tabulate all votes, including those casts in absentia and by proxy, to be assisted by the Company's stock transfer agent, Banco de Oro Unibank, Inc. - Trust Banking Group. The Corporate Secretary shall report the results of voting during the meeting. For information on counting and tabulation of votes, please refer to "Item 17. Voting Procedures" of the Information Statement.

B. Attendance by Proxy

1. In case a stockholder cannot attend the virtual meeting and wishes to be represented, said stockholder shall designate an authorized representative ("Proxy") by submitting a duly-accomplished proxy instrument which may be downloaded at <https://www.ilodestarholdings.com.ph> and submitted on or before December 18, 2020 via email to ilodestar@yahoo.com, complete with the following requirements for validation purposes:

1.1 For the stockholder, attach the following documents (e-copy):

- 1.1.1 Valid government-issued ID (with photo)
- 1.1.2 Proof of Ownership, such as, but not limited to, the following:
 - a) Stockholder's certificate (for certificated shares); or
 - b) Broker's certification (for scripless or uncertificated shares); or
 - c) Secretary's certificate for authorized representative (for corporate)
- 1.1.3 Other supporting document/s, as applicable

1.2 For the Proxy, attach the following document (e-copy):

- 1.2.1 Valid government-issued ID (with photo)

1.3 A stockholder may designate the Chairman of the Meeting as Proxy. Likewise, if no name is indicated, the Chairman of the Meeting will act as the Proxy.

2. The Office of the Corporate Secretary shall forward the email containing the duly-accomplished proxy instrument and its attachments to the Company's stock transfer agent, Banco de Oro Unibank, Inc. - Trust Banking Group. The validation process will be completed by the stock transfer agent no later than three (3) business days from its receipt of the duly accomplished proxy instrument. The Company's stock transfer agent reserves the right to request for additional information and documents, as needed/necessary. Moreover, electronic signature for the required documents shall be allowed while notarization requirement shall not be considered for the meantime, as applicable, given the current situation.
3. Once validated/verified, a stockholder shall be provided a confirmation correspondence with secure links for virtual meeting registration. For security purposes, the confirmation correspondence which includes links and instructions for participation through remote communication shall only be sent to the stockholder's email address, and if necessary, notification shall be sent to the stockholder's mobile number provided. It is the duty of the stockholder to securely provide the information on access credentials and instructions to the Proxy.

C. Participation and Determination of Quorum and Votes

1. Only those shareholders who have notified the Company of their intention to participate in the Meeting by remote communication, together with the stockholders who voted in absentia and by proxy, will be included in the determination of quorum at the meeting. By participating remotely and by proxy, a stockholder shall be deemed present for purposes of quorum.
2. Due to logistical limitations of the meeting conducted virtually, voting and open forum/discussion will not be possible during the virtual meeting. However, a stockholder, once verified/ registered, will be given an opportunity to raise any relevant questions or express an appropriate comment limited to the agenda items by sending an email to ilodestar@yahoo.com not later than December 18, 2020 to be properly noted and addressed accordingly. Any relevant questions or comments received by the Office of the Secretary via email within the prescribed period given by registered stockholders shall be properly acknowledged, noted and addressed accordingly. Questions and comments not taken up during the meeting shall be addressed directly via email by the Company.
3. The Office of the Corporate Secretary shall take down minutes of the meeting accordingly and shall note all comments and other relevant matters discussed covering the agenda of the meeting. The meeting proceedings shall be recorded in audio and video format to be safekept by the Office of the Corporate Secretary and shall be made available in a secured manner to stockholders upon request by sending an email to ilodestar@yahoo.com.
4. The Office of the Corporate Secretary shall ensure confidentiality of all votes for tabulation, including those casts in absentia and by proxy, with assistance from the Company's stock transfer agent, Banco de Oro Unibank, Inc. - Trust Banking Group. The Corporate Secretary shall report the results of voting during the meeting. For information on counting and tabulation of votes, please refer to "Item 17. Voting Procedures" of this Information Statement.

For ASM-related matters, please go to <https://www.lodestarholdings.com.ph>. For ASM-related queries, please send an email to ilodestar@yahoo.com. For account updating/validation concerns, please get in touch with the Company's Stock Transfer Agent, Banco de Oro Unibank, Inc. - Trust Banking Group (Attention: Roland Roxas, via email to bdo-stock-transfer@bdo.com.ph).

Date :
From :
To : The Office of the Corporate Secretary
(email address: ilodestar@yahoo.com)
Subject: Letter of Intent ("LOI") to Participate in the 2020 Annual Stockholders' Meeting
("2020 ASM") of LODESTAR INVESTMENT HOLDINGS CORPORATION.

This is to express my intent to participate in LODESTAR INVESTMENT HOLDINGS CORPORATION's 2020 ASM to be held through remote communication on December 28, 2020, Wednesday at 1:30 p.m.

Please see my contact information below:

(1) Complete Registered Name : _____
(2) Complete Registered Residential/Mailing Address: _____

(3) Active E-mail Address : _____
(4) Active Mobile No. : _____
(5) Active Landline No. : _____

Attached are the necessary documents (e-copy/scanned copy)² for validation purposes³:

(a) Valid government-issued ID⁴ with photo and signature (scanned front and back)

(b) Proof of Ownership (please put a check on the space provided):

- Stockholder's certificate (for certificated shares);
 Authorization letter signed by other stockholder(s) indicating the person among them authorized to cast the votes (for joint accounts)
 Broker's certification (for scripless or uncertificated shares); or
 Secretary's certificate for authorized representative (for corporate)

(c) Other supporting document/s (please specify): _____

Looking forward to your favorable response.

Thank you.

(Signature over Printed Name)

² Please limit file size up to 2MB.

³ The Office of the Corporate Secretary shall forward this email-LOI with its attachments to Lodestar Investment Holdings Corporation's stock and transfer agent, Banco de Oro Unibank, Inc. - Trust Banking Group. The validation process shall be completed by the Corporation no later than three (3) business days from its receipt of the LOI. The stock and transfer agent reserves the right to request for additional information and documents, as it deems necessary. Electronic signature for the required documents shall be allowed while notarization requirement shall not be considered for the meantime, as applicable, given the current situation. A confirmation/reply email shall be sent to the stockholder, once successfully verified/validated.

⁴ Acceptable valid IDs are the following: Driver's License, Passport, Unified Multi-Purpose ID (UMID), GSIS ID, company ID, PRC ID, IBP ID, iDOLE Card, OWWA ID, COMELEC Voter's ID, Senior Citizen's ID, or Alien Certificate of Registration/Immigrant Certificate of Registration.

PROXY

The undersigned stockholder of LODESTAR INVESTMENT HOLDINGS CORPORATION (the "Corporation") hereby appoints _____ or in his/her absence, the Chairman of the meeting, as attorney-in-fact or proxy, with power of substitution, to represent and vote all shares registered in his/her name as proxy of the undersigned stockholder, at the **Annual Stockholders' Meeting** of the Corporation to be held on **Monday, December 28, 2020, at 1:30 P.M.**, through remote communication and at any of the adjournments thereof for the purpose of acting on the following matters:

	Item	Votes Taken		
		For	Against	Abstain
1.	Approval of Minutes of Annual Stockholders' Meeting held on December 11, 2019			
2.	Approval of the 2019 Annual Report and the Parent Company and Consolidated Audited Financial Statements of the Corporation as of December 31, 2019			
3.	Ratification of all legal acts, resolutions, and proceedings of the Board of Directors and of Management, done in the ordinary course of business from December 11, 2019 to December 9, 2020			
4.	Election of Directors Allan L. Crisologo Nathaniel C. Go Delfin S. Castro, Jr. Ramoncito B. Cabalu David Christian Verar Gamboa Rae Alvyn H. Lim Leonardo B. Cua			
5.	Appointment of External Auditor for the period ending December 31, 2020			

At their discretion, the proxies named above are authorized to vote upon such other matters as may properly come before the meeting.

Date

Printed Name of Stockholder

Date

Signature of Stockholder / Authorized Signatory

This proxy should be received by the Corporate Secretary **on or before December 18, 2020**, the deadline for submission of proxies.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction is made, this proxy will be voted "for" the election of all nominees and for the approval of the matters stated above and for such other matters as may properly come before the meeting in the manner described in the information statement and/or as recommended by the Board of Directors or Management.

A proxy submitted by a corporation should be accompanied by a Corporate Secretary's Certificate quoting the board resolution designating a corporate officer to execute the proxy. Proxies executed by brokers must be accompanied by a certification under oath stating that the broker has obtained the written consent of the account holder.

A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised. A proxy is also considered revoked if the stockholder attends the meeting in person and expresses his intention to vote in person.

WE ARE NOT SOLICITING YOUR PROXY

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS**
**INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES
REGULATION CODE**

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name of Registrant as specified in its charter:
LODESTAR INVESTMENT HOLDINGS CORPORATION
3. Province, country or other jurisdiction of incorporation or organizations: **Philippines**
4. SEC Identification Number: **54106**
5. BIR Tax Identification Code: **200-751-430-000**
6. Address of principal office: **7th Floor Peaksun Building, Princeton St., Wack-Wack,
Mandaluyong City** Postal Code: **1552**
7. Issuer's telephone number, including area code: **(632) 8856-2013**
8. Date, time and place of the meeting of security holders:

Date:	December 28, 2020
Time:	1:30 PM
Place:	7 th Floor Peaksun Building, Princeton St., Barangay Wack-Wack, Mandaluyong City
Platform:	Videoconferencing via Zoom
Mailing Address:	7 th Floor Peaksun Building, Princeton St., Barangay Wack-Wack, Mandaluyong City

9. Appropriate date on which the Information Statement is first to be sent or given to security holders: **December 10, 2020**
10. In case of proxy solicitations:
Name of Person Filing the Statement/Solicitor
Delfin S. Castro, Jr.
Lodestar Investment Holdings Corporation
7th Floor Peaksun Building, Princeton St., Barangay Wack-Wack, Mandaluyong City
11. Securities registered pursuant to Sections 8 and 12 of the code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

<u>Title of Each Class</u>	<u>Number of shares of Common Stock</u>
	<u>Outstanding of Amount of Debt Outstanding</u>
Common	3,000,000,000 (Php. 0.10 par value)

12. Are any or all registrant's securities listed in a Stock Exchange?
Yes No
If yes, close the name of such Stock Exchange and the class of securities listed therein:
Philippine Stock Exchange, Common Shares **640,000,000**

PART I

INFORMATION REQUIRED IN INFORMATION STATEMENT

1. GENERAL INFORMATION

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

The Annual Stockholders' Meeting of **LODESTAR INVESTMENT HOLDINGS CORPORATION** (LHIC or the *Company*), a corporation organized and existing under the laws of the Philippines with address 7th Flr., Peaksun Building, 1505 Princeton St., Bgy. Wack-Wack, Greenhills East, Mandaluyong City will be held on December 28, 2020 (Monday) at 1:30 PM, thru videoconferencing via Zoom at 7th Floor., Peaksun Building, 1505 Princeton St., Barangay Wack-Wack, Greenhills East, Mandaluyong City, Metro Manila (the "Annual Stockholders' Meeting or the "Meeting").

The Agenda of the Meeting, as indicated in the accompanying Notice of Annual Meeting of Stockholders, is as follows:

1. Call to Order
2. Determination of Quorum
3. Approval of the Minutes of the Previous Stockholders' Annual Meeting of December 11, 2019.
4. Management Report
5. Approval 2019 Annual Report and the 2019 Audited Financial Statement.
6. Ratification of the Acts, Resolutions and Proceeding of the Board of Directors, Corporate Officers and Management up December 11, 2019 to December 8, 2020.
7. Election of the Board of Directors and Independent Directors.
8. Appointment of Independent Auditors.
9. Other business as may properly be brought the meeting and open forum.
10. Adjournment

Only stockholders of record at the close of business on December 9, 2020 are entitled to notice and vote at this meeting. Please bring some form of identification, such as passport, driver's license, or company I.D. in order to facilitate registration, which will start at 1:00 PM.

Any stockholder who does not expect to attend the meeting in person and desires to be represented thereat is requested to sign the proxy enclosed herewith and mail it back using the return envelope. The proxy should be mailed in time so as to be received by the Corporate Secretary for validation on or before December 18, 2020. Only proxy forms submitted on time will be validated.

The Annual Report of the Company containing the Audited Financial Statements for the year ended December 31, 2019 and the Interim Financial Statements for the period ended September, 30, 2020 (SEC Form 17-Q) are attached to this Information Statement. Upon written request of a Stockholder, the Company shall furnish the shareholder a copy of the said Annual Report with SEC Form 17-A as filed with SEC, free of charge.

The Information Statement and this Proxy shall be posted and can be found on our website: <https://www.lodestarholdings.com.ph> and PSE EDGE portal via <https://edge.pse.com.ph>. Duly executed Proxies may be returned either by mail, fax or by hand at the mailing address of the Company. Proxies must be received on or before December 18, 2020 at 5:00 P.M.

Item 2. Dissenters' Right of Appraisal

Any stockholder of a corporation shall have the right to dissent and demand payment of the fair value of the shares in the following instances:

- (a) In case an amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
- (b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in this Code;
- (c) In case of merger or consolidation; and
- (d) In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

The dissenting stockholder who votes against a proposed corporate action may exercise the right of appraisal by making a written demand on the corporation for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: Provided, That failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the corporation shall pay the stockholder, upon surrender of the certificate or certificates of stock representing the stockholder's shares, the fair value thereof as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If, within sixty (60) days from the approval of the corporate action by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: Provided, That no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment: Provided, further, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer the shares to the corporation.

From the time of demand for payment of the fair value of a stockholder's shares until either the abandonment of the corporate action involved or the purchase of the said shares by the corporation, all rights accruing to such shares, including voting and dividend rights, shall be suspended in accordance with the provisions of this Code, except the right of such stockholder to receive payment of the fair value thereof: Provided, That if the dissenting stockholder is not paid the value of the said shares within thirty (30) days after the award, the voting and dividend rights shall immediately be restored.

No demand for payment under this Title may be withdrawn unless the corporation consents thereto. If, however, such demand for payment is withdrawn with the consent of the corporation, or if the proposed corporate action is abandoned or rescinded by the corporation or disapproved by the Commission where such approval is necessary, or if the Commission determines that such stockholder is not entitled to the appraisal right, then the right of the stockholder to be paid the fair value of the shares shall cease, the status as the stockholder shall be restored, and all dividend distributions which would have accrued on the shares shall be paid to the stockholder.

The costs and expenses of appraisal shall be borne by the corporation, unless the fair value ascertained by the appraisers is approximately the same as the price which the corporation may have offered to pay the stockholder, in which case they shall be borne by the latter. In the case of an action to recover such fair value, all costs and expenses shall be assessed against the corporation, unless the refusal of the stockholder to receive payment was unjustified.

Within ten (10) days after demanding payment for shares held, a dissenting stockholder shall submit the certificates of stock representing the shares to the corporation for notation that such shares are dissenting shares. Failure to do so shall, at the option of the corporation, terminate the rights under this Title. If shares represented by the certificates bearing such notation are transferred, and the certificates consequently cancelled, the rights of the transferor as a dissenting stockholder under this Title shall cease and the transferee shall have all the rights of a regular stockholder; and all dividend distributions which would have accrued on such shares shall be paid to the transferee.

No action is to be taken which will give rise to the exercise by a shareholder of his appraisal right as provided under Title X – Appraisal Right of the Revised Corporation Code of the Philippines.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

(a) *Substantial interest of directors / officers of the Registrant in any matter to be acted upon other than election to office*

There are no matters in which substantial interest of directors or officers of the Corporation are to be acted upon other than election to office.

(b) *Director's opposition to any action intended to be taken by the Company during the Annual Meeting.*

No director has informed the Company in writing of any intention of opposing any action intended to be taken by the Company during the Annual Meeting.

1. MARKET PRICE, SHAREHOLDERS and DIVIDEND INFORMATION

(1) Market Price Information

The shares of stock of Lodestar Investment Holdings Corporation are traded in the Philippine Stock Exchange.

The table below summarizes the performance of the stock of the Corporation in the market for each quarter for the past two calendar years prior to the date of the Annual Stockholders' Meeting (based on closing prices of the shares with the PSE):

Period	High	Low
1 st Quarter 2018	0.80	0.62
2 nd Quarter 2018	0.68	0.52
3 rd Quarter 2018	0.71	0.52
4 th Quarter 2018	0.59	0.48
1 st Quarter 2019	0.75	0.51
2 nd Quarter 2019	0.65	0.46
3 rd Quarter 2019	0.56	0.47
4 th Quarter 2019	0.52	0.49

1 st Quarter 2020	0.52	0.38
2 nd Quarter 2020	0.76	0.41
3 rd Quarter 2020	0.76	0.57

On October 30, 2020, the stock of the Corporation opened at P0.73 per share, had a high of P0.86 per share and a low of P 0.73 per share. The stock closed at P 0.78 per share.

2. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

(a) Class entitled to vote

As of September 30, 2020, there are 3,000,000,000 shares of the Company's common stock outstanding. It is expected that on record date December 9, 2020, the same total number of shares will be outstanding and entitled to vote at the Annual Meeting.

(b) Record Date

The Record Date for the Annual Meeting is December 9, 2020. Thus, only stockholders of record at the close of business on December 9, 2020 are entitled to notice of and to vote at the Annual Meeting.

(c) Voting Rights

A stockholder may vote the shares outstanding in his name as of the date of record in the stock transfer books of the Company either in person or by proxy. At his option, a stockholder may cumulate said shares and give one candidate as many votes as the number of his shares multiplied by seven shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit. In all instances, the total number of votes shall not exceed seven times the number of shares owned by him. The seven nominees who receive the highest number of votes shall be declared elected.

(d) Security Ownership of Certain Record and Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners

The table below outlines the persons as of September 30, 2020 who are known to the Corporation to be directly or indirectly the record and / or beneficial owner of more than five(5%) of any class of the Corporation's voting securities:

Title/Class	Name and Address of Record Owner and Relationship	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. Of Shares Held	Percent of Class
Common	Socorro P. Lim, 1560 Carissa St., Damarinas Village, Makati City, Major Shareholder	Socorro P. Lim	Filipino	2,000,000,000	66.67%

Common	PCD Nominee Corporation, G/F Tower One, Ayala Avenue, Makati City No relationship	PCD Nominee Corporation is a wholly owned subsidiary of the Philippine Depository and Trust Corporation Inc. (PDTC) is the registered owner of the shares in the books of the Registrant's stock transfer agent. The beneficial owner of such shares entitled to vote the same are PDTC's participants, who hold the shares either in their own behalf or on behalf of their clients. The following PDTC participants hold more than 5% of the registrants voting securities: AP Securities Inc. – 192,686,000 – 6.42% The Registrant has no information on the persons authorized to vote the shares of the above-named PDTC participants. They will only be made known to the Registrant once the proxies and/or proper board resolutions on such authorizations are transmitted to the Company.	Filipino	629,910,429	20.997%
Common	Nathaniel C. Go, Renaissance, 3000 Tower 1, Meralco Avenue, Ortigas Center, Pasig City No relationship with issuer	Nathaniel C. Go	Filipino	260,000,000	8.667%

The clients of the PCD Nominee Corporation have the power to decide how their shares are to be voted.

(2) Shareholders Information

The top shareholders of the Corporation as of September 30, 2020 are as follows:

Shareholder	Nationality	Number of Shares	Percentage of Ownership
Socorro P. Lim	Filipino	2,000,000,000	66.67%
PCD Nominee Corporation	Filipino	630,017,429	21.001
Nathaniel C. Go	Filipino	260,000,000	8.667%

No other shareholder as of said date owns more than five (5%) of the Corporation.

Please find below the top 20 stockholders of the Company as of September 30, 2020.

	Stockholder	Nationality	Total Shares	Percentage of Ownership
1	Socorro P. Lim	Filipino	2,000,000,000	66.667
2	PCD Nominee Corporation	Filipino	630,017,429	21.001
3	Nathaniel C. Go	Filipino	260,000,000	8.667
4	Renato L. Reyes	Filipino	72,000,000	2.400
5	Ramon L. Abad Jr.	Filipino	28,000,000	0.933
6	PCD Nominee Corporation	Others	2,446,001	0.082
7	Jones R. Castro	Filipino	1,700,000	0.057
8	Renato Lumague	Filipino	600,000	0.020
9	Joaquin Corpus	Filipino	500,000	0.017
10.	Joel S. Diaz	Filipino	500,000	0.017
11	William T. Enrile &/or William T. Enrile	Filipino	500,000	0.017
12	Ross W. Garling	Others	400,000	0.013
13	Jose de Peralta	Filipino	300,000	0.010
14	Jovenal Gonzales	Filipino	300,000	0.010
15	John T. Mesina	Filipino	300,000	0.010
16	Cesar Hablero	Filipino	160,000	0.005
17	William Stone	Others	100,010	0.003
18	Rueben L. Alderson	Others	100,000	0.003
19	Augusto Bautista	Filipino	100,000	0.003
20	Aroroy Municipal Council Educational Fund	Filipino	100,000	0.003

(3) Dividend Information

There are no dividends yet declared by the Corporation. Thus, for the last two (2) fiscal years, no dividends, whether cash or property, were declared by the Company. There are no provisions in the Articles of Incorporation nor is there any policy, board action or approval that restricts or provides any restriction on, or limit the payment of dividend on common shares.

(4) Recent Sales of Unregistered or Exempt Securities Including recent Issuance of Securities Constituting an Exempt Transaction

There were no sales of unregistered or exempt securities or issuance of securities constituting an exempt transaction for 2018 – 2019.

(2) Security Ownership of Management

As of September 30, 2020, the shares owned by the directors and executive officers of the Company and the percentage of their shareholdings, are as follows:

Title of Securities	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership (D) direct / (I) indirect	Citizenship	Percent of Class
Common	Antonio Victoriano F. Gregorio III	10,000 (Direct)	Filipino	Nil
Common	Delfin S. Castro, Jr.	10,000 (Direct)	Filipino	Nil
Common	Ramoncito B. Cabalu	1,000 (Direct)	Filipino	Nil
Common	Richard N. Palou	10,000 (Direct)	Filipino	Nil
Common	Felixes G. Latonero	10,000 (Direct)	Filipino	Nil

Common	Leonardo B. Cua	1,000 (Direct)	Filipino	Nil
Common	Venus L. Gregorio	-	Filipino	Nil
Aggregate for above named Officers and Directors		42,000	-	Nil

Security of Ownership of Non-Filipino

The chart below shows the ownership of non-Filipino as of September 30, 2020

Total Outstanding Shares	Shares Allowed to Foreigners	% Allowed to Foreigners	Shares Owned by Foreigners	% Owned by Foreigners
3,000,000,000	1,200,000,000	40%	3,458,011	0.12%

(3) Voting Trust of Five Percent (5%) or More

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

PART II – MANAGEMENT AND CERTAIN SECURITY HOLDERS

Directors and Executive Officers

As of September 30, 2020, the Board of Directors and Executive Officers of the company consist of the following individuals:

NAME	POSITION	NATIONALITY	PERIOD SERVED
Antonio V.F. Gregorio III	Director / Chairman/President	Filipino	2009 to present
Delfin S. Castro, Jr.	Director/CFO/Treasurer	Filipino	2015 to present
Ramoncito B. Cabalu	Director	Filipino	2015 to present
Richard N. Palou	Director	Filipino	2017 to present
Felixes G. Latonero	Independent Director	Filipino	April 2011 to 2016, 2017 to present
Leonardo B. Cua	Independent Director	Filipino	2019 to present
Venus L. Gregorio	Corporate Secretary	Filipino	2012 to present

Item 5. Directors and Executive Officers

1. Disclosure of information concerning the background of the Registrant's officers, directors, and other key personnel.

As of November 15, 2020, the Board of Directors and Executive Officers of the Company consist of the following individuals:

Name	Position	Nationality	Period Served (as Director)
Delfin S. Castro, Jr.	Director /CFO / Treasurer	Filipino	2015 to present
Ramoncito B. Cabalu	Director	Filipino	2015 to present
Richard N. Palou	Director	Filipino	2009 to 2020

Felices G. Latonero	Independent Director	Filipino	2011 to 2016, 2017 – present
Leonardo B. Cua	Independent Director	Filipino	2020 to present

A brief background and business experience, for the last five (5) years, of the above-named Directors and Officers are provided herein as follows:

ANTONIO VICTORIANO F. GREGORIO III⁵, 48, Filipino, Director, Chairman.

Atty. Antonio Gregorio III graduated Second Honors, with a Juris Doctor from the Ateneo de Manila University in 1998 and passed the bar examinations of 1998. He also has a Bachelor of Science Major in Management Engineering and a Bachelor of Arts, Major in Economics-Honors, both from the Ateneo de Manila University, Magna Cum Laude. He was a valedictorian of his high school class in the Ateneo. Atty. Gregorio sits as director and officer of various public and private companies, including NiHAO Mineral Resources International, Inc., (President from 2011 and Chairman from 2012 to present), Dizon Copper-Silver Mines (Treasurer/Director from 2012 to present), Abacore Capital Holdings, Inc. (Director, 2009 to present, Vice Chairman 2018), Philippine Regional Investment Development Corporation (Director 2014 to present, President 2018), Philstar Development Bank (Director, 2008 – present), IPM Holdings, Inc. (Director 2012 to present), Cuervo Far East, Inc. (Corporate Secretary/Director, 2005 to present), Millionaire's Offices and Properties Inc. (Director 2011 – present) and Barnyard Realty Corporation (Corporate Secretary, 2002 to present), and 4A9T Scholarship foundation, Inc. (Corporate Secretary/Trustee from 1999 to present). He was formerly a Director of the following companies: Asiabest Group International Inc. (Chairman and President from 2011 to 2017), GNA Resources International Limited (2011 to 2015), World Wide Manpower Overseas, Inc. (2007 to 2014), Alta Minera, Inc. and Breccia Resources, Inc., (2011 to 2017), Beaver Q Corporation (2002 to 2017) and Big Herald Link International Corporation (2004 to 2016).

CHI HO CO⁶, 47, Filipino, Director and President.

Mr. Chi Ho Co is a businessman who currently serves as Director and Officer of various publicly listed and private companies including, NiHAO Mineral Resources International, Inc. (2013 to present), Geograce Resources Philippines, Inc. (2013 to present), Hightower, Inc. of which he is the President (2003 to present), Glomedic Philippines, Inc. (Chairman, 2004 to present), Banquets in Style, Inc. (Chairman, 2003 to present), Cavite Apparel Corporation (VP, 1998 to present), Subic Bay Apparel Corporation (VP, 1998 to present), Julia Realty & Development Corp. (Treasurer, 2006 to present), Edgeport Properties, Inc. (Treasurer/Secretary, 2006 to present), Fastrack Realty & Development, Inc. (Chairman, 2004 to present) and CAC Motors Corp. (President, 2002 to present) among other companies. He was formerly a Director of Asiabest Group International Inc. (2011 to May 2017).

RAMONCITO B. CABALU, Filipino, 64.

Mr. Ramoncito Cabalu graduated with a Bachelor of Arts degree major in Economics and Social Sciences at the University of the Philippines in 1977. Mr. Cabalu is a director and President of a major entertainment company Circle Asia Group with major industry players to service the entertainment requirements of gaming companies in Manila and the emerging markets (2014 to present). He is also currently a director and Partner of Maple Tree Investments (2014 to present) and Vice -President/Partner for Business Development of Garco Minerals and Chemical Trading. He is also a director of Geograce Resources

⁵ Resigned from the Company effective November 6, 2020

⁶ Resigned from the Company effective July 15, 2020

Philippines Inc. (2016 to present) and he was a director of Asiabest Group International Inc. (2014-2018).

DELFIN S. CASTRO, JR. Filipino, 54.

Mr. Delfin S. Castro, Jr. holds a Master Degree in Business Administration and a Bachelor of Science Degree in Business Administration from the University of the Philippines. He is currently a Director/Treasurer of Nihao Mineral resources International, Inc. (2012 – present), Director/Treasurer of Geograce Resources Philippines Incorporated (2006 – present), Director of Dizon Copper-Silver Mines, Inc. (2012 – present). He is also a Director and Corporate Secretary of Sunplaza Development Corporation and Treasurer of The Peak Condominium Corporation. He was formerly a Director / Treasurer of AsiaBest Group International, Inc. (2010 – 2017).

RICHARD N. PALOU⁷, Filipino, 74

Mr. Richard William N. Palou is currently a Director of Dizon Copper-Silver Mines, Inc. (2017 to present). He is an MBA candidate and a graduate of Business Management at the Ateneo de Manila University. He currently serves as Director of DENAGA Pawnshop, Inc. (2007 to present), Vantage Investigation and Security Agency, Inc. (2007 to present), and First Philippine Wind Corporation (1997 to present). He was the Director for the University Athletics at the Ateneo de Manila University (2004 to 2017). He also served as a Director of Asiabest Group International Inc. (2008 to 2018).

FELIXES G. LATONERO, Filipino, 46.

Mr. Latonero is an Independent Director of Geograce Resources International, Inc. (2016 – present). He is also the President of Nontrad Advertising and FGL Modular Cabinet System, Inc. (2003-present). He graduated in 1995 with a degree in Fine Arts from the EARIST. He was Independent Director of Nihao Mineral Resources International, Inc. (2014-2015) and Independent Director of Asiabest Group International Inc. (2015-2018).

LEONARDO B. CUA, Filipino, 65.

Dr. Cua graduated from the University of the Philippines, Diliman, with a degree of Bachelor of Science in Biology. He is a Doctor of Medicine from the University of the East Ramon Magsaysay Memorial Medical Center. He completed his post graduate internship from the Manila Doctor's Hospital and residency training at University of the East Ramon Magsaysay Memorial Medical Center. He is currently serving as a Director of Dizon Copper-Silver Mines, Inc. (2012-present) and an Independent Director of NiHAO Mineral Resources International Inc. (2017-present). He is also a Co-owner (2003-present) and Cosmetic Surgeon (2014-present) of JMC Derm Specialist Clinic. He is a physician by profession, Dr. Cua is currently a member of Philippine Medical Association and Philippine Society of Anesthesiologists.

ALLAN L. CRISOLOGO, Filipino, 49. Nominee for Director

Mr. Crisologo holds a Bachelor of Science in Architecture from University of San Carlos. He has a vast experience in mining, real estate, shipping and trade industry. He currently serves as the President of New Sky Energy (PH), Inc. Phil Sino Union Resources, and SS Pacific Corporation. He also serves as a Director of Golden Topper Group, Inc. He has served as Managing Director of Megaquip Corporation and Adnama Pacific Marine Corp. from 2012 to 2016; Director and Vice President for Business Development of Adnama Mining Resources

⁷ Resigned from the Company effective November 6, 2020

and Oriental Vision Mining from 2008 to 2016; President of Dwell Asia Philippines Corp. from 2004 to 2014, and Director thereof from 2014 to 2015; and the Proprietor/General manager of A2C Trading Center from 1998 to 2013.

RAE ALVYN H. LIM, Filipino, 24. Nominee for Independent Director,

Mr. Lim holds a Bachelor of Science in Advertising Management from the De La Salle University. He also took up courses in Agriculture Management and Agriculture Marketing from the University of British Columbia. Mr. Lim is currently served as the Vice President and Chief Marketing Officer of Anteriore, Inc. He has served as President and Co-Founder of Unboxd from 2016 to 2017; Brand Manager of Salikneta Farm and Market from 2017 to 2018; and copywriter for Play PH in 2017.

DAVID CHRISTIAN VERAR GAMBOA, 24 Filipino, Nominee for Director

Mr. Gamboa holds a Bachelor of Science in Management from De la Salle University. He has served as the Chief Operating Officer of Anteriore Inc.

NATHANIEL C. GO, 53, Filipino Nominee for Director

Mr. Go holds a Bachelor of Science in Medical Technology from University of Santo Tomas and received his Master of Concentrate in Finance from Bentley College Graduate School of Business in Watham, Massachusetts and Asian Institute of Management. He was Internal Auditor, Corporate Secretary and Financial Analyst and Technology Manager and Internet Banking Manager of NAB Bank in Chicago, IL from 1995 to 2000. He was Chief Financial Officer and Chief Information Offer of American Metro Bank, Chicago, IL from 2003 to 2005. He was Assistant to the President of the Agricultural Bank of the Philippines from 2010 to 2015. He was VP strategic Planning Director of M&A of Premier Wilmette, Illinois from 2005-2008.

VENUS L. GREGORIO⁸, 52, Filipino, Corporate Information Officer and Corporate Secretary.

Atty. Venus L. Gregorio graduated with a Juris Doctor from the Ateneo de Manila University in 1998 and passed the bar examinations of 1998. She has a Bachelor of Arts degree major in Political Science from the University of the Philippines. Atty. Gregorio is the Asst. Corporate Information Officer and Assistant Corporate Secretary of Dizon Copper-Silver Mines, Inc. Asst. Corporate Secretary/Director of Cuervo Far East, Inc. (2005 to present). She was the Corporate Secretary and Corporate Information Officer of Asiabest Group International Inc. (2011 to 2017).

ARLENE M. WILKERSON⁹, 50, Filipino, Corporate Secretary

Atty. Mendoza-Wilkerson graduated with a Bachelor of Laws (LLb) from the University of the Philippines. She also has a Bachelor of Arts Major in Political Science. She attended a Management Development Program from the Asian Institute of Management.

She was the Vice President and Head – Corporate Compliance Group, Chief Compliance Officer at St. Luke's Medical Center, Inc. from December 2017 to January 2020; Vice President for Legal and Chief Compliance Officer at Eagle Cement Corporation from September 2016 to December 2017; Legal Counsel at ARCADIS from 2014 to 2016; Legal Consultant at the Office of the Director for Legal Services, Department of Agrarian Reform 2013-2014; Legal

⁸ Resigned from the Company effective November 6, 2020

⁹ Appointed Corporate Secretary of the Company effective November 23, 2020

Consultant and Director of Nihao Mineral Resources International, Inc, Geograce Resources Phils, Inc. and Angping & Associates Securities, Inc. from September 2012 to July 2014.

None of the named directors and officers works with the government. A "Certification" to this effect duly signed by Atty. Arlene Mendoza Wilkerson, in his capacity as Corporate Secretary of the Company, is attached hereto as Annex "A".

(2) Significant Employees

The Company maintains a skeletal force of technical and administrative personnel. For 2019, owing to the relatively small number of personnel, the Company does not know yet of any such personnel is expected to make significant contribution to the business, and thus has no significant employees to name and report.

(3) Family Relationships

Atty. Antonio Victoriano F. Gregorio and Atty. Venus L. Gregorio are spouses.

Other than the relationship disclosed above, the company is not aware of any other family relationships up to fourth civil degree, either by consanguinity or affinity, among the directors and officers of the Company.

(4) Involvement in Certain Legal Proceedings

Each of the director has certified that, during the past five years, they have not been involved in any insolvency or bankruptcy proceeding nor has any of them been convicted by final judgment in a criminal proceeding. Furthermore, none of the directors has been subject to any order permanently enjoining, barring, suspending or limiting their involvement in any type of business, securities, and commodities or banking activities, nor have they been found by any court in a civil action to have violated any securities or commodities law or regulation.

To the best of the Company's knowledge, there is no event listed below that occurred during the last five years up to the latest date that are material to an evaluation of the ability or integrity of any director or nominee for election as director, executive officer or control person of the Company:

- (a) Bankruptcy petition filed by or against any business of which a director or executive officer of the Company was a general partner or executive officer either at the time of bankruptcy or within two (2) years prior to that time;
- (b) Conviction by final judgment in a criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- (c) Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or bargaining activities; and;
- (d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Securities and Exchange Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended or vacated.

Nominees

During the Annual Stockholders Meeting, the following nominees shall be voted for election for the following positions for a term of one year until their successors are duly elected and qualified:

Name of Nominee	Position	Nationality
Allan C. Crisologo	Director	Filipino
Nathaniel C. Go	Director	Filipino
Delfin S. Castro, Jr.	Director	Filipino
Ramoncito B. Cabalu	Director	Filipino
David Christian Verar Gamboa	Director	Filipino
Rae Alvyn H. Lim	Independent Director	Filipino
Leonardo B. Cua	Independent Director	Filipino

The Nomination Committee passed upon and approved the nomination of the above-named Nominees for Directors. The Nomination Committee is composed of Messrs. Delfin S. Castro, Jr¹⁰, Leonardo B. Cua¹¹ and Felices G. Latonero.

Rae Alvyn H. Lim who is not a current director is being nominated to the position of Independent Director.

Per the Company's Amended By-Laws, "the Corporation shall conform with the requirement to have such number of Independent Directors as may be required by law, possessed with such qualifications as may be prescribed by law. An "Independent Director" is a person who, apart from his fees and shareholdings, which shareholdings do not exceed two percent (2%) of the shares of the Corporation and/ or its related companies or any of its substantial shareholders, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director of the Corporation x x x." (*Article III, Section 4 of the Amended By-laws*).

The Nomination Committee approved the nominations of Dr. Leonardo B. Cua and Mr. Rae Alvyn H. Lim for the positions of Independent Directors. Dr. Cua and Mr. Lim were nominated by Mr. Delfin S. Castro, Jr. Mr. Delfin S. Castro, Jr. is not related to any nominee for Independent Directors either by consanguinity or affinity.

Dr. Cua and Mr. Lim submitted their credentials to support their qualifications and establish absence of grounds for disqualification for the positions of Independent Director, as provided for under the Securities Regulation Code, its implementing rules and regulations, pertinent SEC circulars and the Code on Corporate Governance.

In compliance with SEC Memorandum Circular No. 5, Series of 2017, the Certification(s) of Dr. Leonardo B. Cua and Rae Alvyn H. Lim disclosing their qualifications as independent directors of the Company are attached to the Definitive Information Statement as Annexes "B" and "C" respectively.

The Company considered and adhered to the requirements of SRC Rule 38, as amended, on the nomination and election of Independent Directors. The nominees were screened and included in the final list of candidates for election to the Board of Directors. All nominees were

¹⁰ Appointed member of the Nomination Committee effective November 23, 2020

¹¹ Appointed member of the Nomination Committee effective November 23, 2020

found to possess all the qualifications and none of the disqualifications for election to the positions of regular and independent directors.

(1) Significant Employees

The Company maintains a skeletal force of technical and administrative personnel. For 2019, the Company does not know yet of any such personnel is expected to make significant contribution to the business, and thus has no significant employees to name and report.

(2) Family Relations

The company is not aware of any other family relationships up to the fourth civil degree, either by consanguinity or affinity, among the directors and officers of the Company.

(a) Certain Relationships and Related Transactions with Related Parties

The Company extended advances to a stockholder which amounted ₦1,562,076 and ₦2,042,076 of December 31, 2019 and 2018 respectively.

(b) Transactions with Key Management Personnel:

The Company avails of the services rendered by lawyers who are also key management personnel of the Company. The related legal fees for 2018 amount to ₦875 thousand. These services are necessary for the continued operations of the Company at rates that are competitive in the industry. The services are expected to continue until a notice of termination is served by the Company.

(c) Key management Personnel Compensation

There were no key management personnel compensation for the years 2019 and 2018.

There are no other transactions with parties that do not strictly fall under the definition of related parties but with whom the Company or its related parties have a relationship that enable the parties to negotiate the terms of the material transactions that may not be available from independent parties on an arm's length basis.

(d) Involvement in Certain Legal Proceedings

To the best of Issuer's knowledge, there is no event listed below that occurred during the past five (5) years up to latest date that are material to an evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter or control person of the registrant:

Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign;

Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and

Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

(e) *Disclosure of disagreements of Directors and Executive officers with the Registrant.*

No director has resigned or declined to stand for re-election to the board of directors since the date of the last annual meeting of security holders because of disagreements with the Registrant on any matter relating to the Registrant's operations, policies or practices. No director has furnished the Registrant with a letter describing such disagreement and requesting that the matter be disclosed.

Item 6. Compensation of Directors and Executive Officers

No action is to be taken at the Annual Meeting with respect to any bonus, profit sharing or other compensation plan, contract or arrangement in which any director or executive officer of the Company will participate, and pension, or retirement plan in which any such person will participate, or the granting or extension to any such person of option/s, warrant/s or right/s to purchase any securities, other than warrants or rights issued to security holders as such, on a pro rata basis.

Only minimal per diems or allowances were paid to executive officers and directors of the Company for the preceding fiscal year. Details of such compensation, allowances, and per diems of executive officers, directors, and employees are discussed below.

(a) *Directors' per diems*

Directors receive a minimal per diem of ₱ 5,000.00 to ₱ 10,000.00 for attendance in Board meetings of the Corporation.

No other allowances and bonuses are given to Directors of the Corporation by reason of their position as director.

There are no arrangements with regard to any bonus, profit sharing, pension, retirement plan or the granting or extension of any option or warrant to Directors and Executive Officers.

The aggregate total compensation for the Chairman, the President and Directors of the Company is shown below as of September 30, 2020:

Name	Position	Year	Salary	Bonus	Per Diem
Antonio V.F. Gregorio III	Chairman	2020*			20,000
		2019			26,315
		2018			16,667
		2017			
Chi Ho Co	President	2020*			20,000
		2019			15,789
		2018			15,789
		2017			16,667
Delfin S. Castro, Jr.	Treasurer	2020*			20,000
		2019			10,526
		2018			15,789
		2017			16,667
Venus L. Gregorio	Corporate Secretary	2020*			20,000
		2019			15,789

		2018 2017			22,222
All other officers and directors as a group		2020* 2019 2018 2017			60,000 47,368 63,157 66,667

Mr. Chi Ho Co resigned from the Company effective July 15, 2020.

Budget for year 2020

(b) Executive Compensation

The Chairman and the President did not receive or draw any salary, bonus, or other forms of Compensation from the Corporation except minimal per diems.

Part 3 – FINANCIAL INFORMATION

Business Plan

As an investment holding company, the Company will continue to evaluate various business opportunities and ventures that are viable, growing, and profitable.

Business outlook for 2020 is geared towards looking for other business ventures, which is still in line with the primary purpose of the Company as a holding corporation. Thus, the Company may again tap into various sources to look for opportunities in the diversified business sectors that are viable, growing and profitable. The Company's strategy will be to invest-buy-in or acquire businesses where the Company will at least own a significant stake or interest of the investee Company's outstanding capital. The said investment amount will allow the Company to recognize its proportionate share of the equitized earnings from its investee companies.

In October 2016, the Company started implementing its capital raising plans by issuing subscription to capital stocks via private placements to two billion two hundred sixty million shares at the subscription price of ten centavos (P0.10) which was approved by the SEC on June 14, 2017. This was intended to provide the Company investable funds and working capital for prospective projects. Specifics of such deals, if any, will be properly disclosed in accordance with the continuing disclosure requirements of the SEC and the PSE.

For the next twelve (12) months, the Company's cash requirements will be satisfied from the proceeds of the private placements.

The Company's strategy will be to invest, buy-in or acquire businesses where the Company will at least own a significant stake or interest of the investee Company's outstanding capital. The said investment amount will allow the Company to recognize its proportionate share of the equitized earnings from its investee companies.

Financial Statements

The Company's Annual Financial Statements for 2019 together with the notes together with the First, Second and Third Quarters financial statements for 2020 thereto are attached as Annexes "D", "E", "F", and "G" respectively.

Item 7. Independent Public Accountant

For 2020, the Company will seek shareholders' approval of the appointment of Punongbayan and Araullo (P&A) as the Company's external auditors.

A representative from P&A will be present at the Annual Stockholders' Meeting with an opportunity to make a statement, if they so desire, and to respond to appropriate questions.

Mr. Christopher M. Ferarez was the signing partner from Punongbayan and Araullo who reviewed the Company's financial statements for 2019 and 2018. For 2017, Mangay-ayam, Lim & Co. (MLCPA) reviewed the financial statements with Mr. Rodrigo M. Mangay-ayam as the signing partner.

P&A, was the Company's independent auditor from 2009 to 2016. Fees paid by the Company for audit services amounted to ₱400,000.00, ₱400,000.00 and ₱280,000.00 for 2019, 2018 and 2017, respectively.

In 2016, P&A was commissioned not only to conduct the annual audit of financial statements but also to prepare a special audit report to support the Company's application for increase in authorized capital stock. Service fees amounted to ₱ 69,000.00. In the same year, MLCPA was appointed to process the increase in authorized capital stock of the company for a fee of ₱ 300,000.00

The Company is not covered by BIR RMC No. 36-2016 and Professional Regulatory Board of Accountancy Resolution No. 03 Series of 2016 requiring the submission of certificate by the responsible Certified Public Accountants on the Compilation Services for the preparation of financial statements and notes thereto. The ruling covers those issuers which have a gross sales or revenues exceeding Ten Million Pesos (₱ 10,000,000.00) for a particular accounting year. The Financial Statements and the notes thereto are prepared by the Interim Accountant of the Issuer.

External Audit Fees and Services

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

	2019	2018	2017
Audit Fee	400,000.00	400,000.00	280,000.00

Audit Committee and Audit Committee's Policies and Procedures

The Audit Committee of the Company is composed of the following:

Member	Position
Felipes G. Latonero	Chairman
Cho Ho Co	Member
Antonio Victoriano F. Gregorio III	Member

As provided under the Audit Committee Charter, an Audit Committee was created to provide for the composition, powers and duties thereof. Among others, the Audit Committee is tasked to:

- Assist the Board of Directors in performing oversight responsibility for the financial reporting processes.
- Supervise management activities and responsibilities in maintaining a sound system of internal control.
- Monitor and evaluate the adequacy and effectiveness of the corporation's internal control system.

- Coordinate, monitor and facilitate compliance with laws, rules and regulations in financial reporting.
- Review reports and financial statements before their submission to the Board of Directors.

The Audit Committee shall be responsible for the preparation, review and approval and issuance of the Company's financial statements and reports. Among others, the Audit Committee shall:

- a. Review and approve audit scope and frequency and the annual internal audit plan.
- b. Provide oversight over the senior management's activities in managing credit, market liquidity, operational, Legal and other risks of the Company. The function shall include receiving from senior management periodic information on risk exposures and risk management activities.
- c. Review the quarterly, half year and annual financial statements before submission to the Board, focusing particularly on any change/s in accounting policies and practices.
- d. Determine and evaluate significant adjustment resulting from audit and going concern assumptions
- e. Ensure compliance with accounting standards and compliance with tax, legal, and stock exchange requirements
- f. Be responsible for coordinating, monitoring and facilitating compliance with existing laws, rules and regulations. It may also constitute a Compliance Unit for this purpose.
- g. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations.
- h. Review and discuss with management and external auditor the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on the following:
 - Any change/s in accounting policies and practices;
 - Major judgmental areas;
 - Significant adjustments resulting from the audit;
 - Going concern assumptions;
 - Compliance with accounting standards;
 - Compliance with tax, legal and regulatory requirements;
- i. Review other relevant reports or financial information submitted by the company to any governmental body or the public or financial report and relevant reports rendered by the external auditor.
- j. Elevate to international standards the accounting and auditing processes, practices and methodologies of the Corporation.

k. Check all financial reports against its compliance with pertinent accounting standards, including laws and regulatory requirements and review the management representation letter to the external auditor.

The Audit Committee shall have overall responsibility over the external audit of the Company from the selection process to the approval for issuance of financial statements for the statutory periods. Among others, the Audit Committee shall be responsible for the following:

a. Recommend to the board of directors the selection of the external auditors among qualified and reputable audit firms, considering independence, effectiveness and professionalism.

b. Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.

c. Discuss with the external auditor before the audit commences the nature and scope of the audit and ensure coordination where more than one audit firm is involved.

d. Review the performance of the external auditors, and exercise final approval on the appointment or discharge of the auditors. In performing this review, the committee will:

1) At least annually, obtain and review a report by the independent auditor describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or per review of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (to assess the auditor's independence) all relationships between the independent auditor and the company.

2) Review and evaluate the lead partner of the independent auditor.

3) Present its conclusions with respect to the external auditor to the Board.

e. Ensure the rotation of the lead audit partner every five years and other audit partners, and consider whether there should be regular rotation of the audit firm itself.

f. Periodically consult with the external auditors out of the presence of management about internal controls and fullness and accuracy of the company's financial statements.

g. On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

h. Receive and review reports of external auditors and regulatory agencies, where applicable and ensure that management is taking appropriate corrective actions, in timely manner in addressing control and compliance functions with regulatory agencies.

i. Pre-approve the engagement of the external auditor or other independent accountant to conduct any non-audit services to be performed during the year.

j. Evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to external auditor both in relation to their significance to the auditor and in relation to the Company's total expenditure on consultancy. The non-audit work should be disclosed in the Annual Report

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

The Company's External Auditor for calendar year 2019 was Punongbayan and Araullo.

In compliance with the BIR RMC No. 36-2016 and Professional Regulatory Board of Accountancy Resolution No. 03 Series of 2016, the financial statements and notes thereto for the calendar year ended December 31, 2019 were prepared by the Issuer's Interim Accountant. There were no disagreements with Accountants on accounting and financial disclosure.

Pursuant to the General Requirements of SRC Rule 68, Section 3.b.iv (Qualifications of Independent Auditors), the external auditors shall be rotated every after five (5) years of engagement. In case of a firm, the signing partner shall be rotated every after said period. The Company is in compliance with SRC Rule 68, Section 3.b.iv.

Item 8. Compensation Plans

There will be no cash or non-cash compensation plans, or adjustments or amendments in stock warrants or options that will be taken up during the Annual Meeting.

a. Financial and other Information

1. The Audited Financial Statements as of December 31, 2019, Annual Report, and Unaudited Financial Statements 1st, 2nd and 3rd quarters of 2020 are hereto attached as Annexes "D", "E", "F", "G" and "H".
2. The Management Report and Plans of Operation are discussed in a separate section.
3. There are no changes in and disagreements with accountants on accounting and financial disclosure; and
4. Representatives of the principal accountants for the current year and for the most recently completed fiscal year:
 - (i) are expected to be present at the security holders' meeting;
 - (ii) will have the opportunity to make a statement if they desire to do so; and
 - (iii) are expected to be available to respond to appropriate questions

Item 9. Modification or Exchange of Securities

There are no matters to be proposed to Shareholders under Modification or Exchange of Securities.

Item 10. Financial and Other Information

A. Stockholders are furnished the following information and documents:

The Audited Financial Statements of the Company for the fiscal year 2019 is attached to this Information Statement as Annex "A" and incorporated herein by reference as part of the Financial Report of Management for the fiscal year 2019.

During the Company's two (2) most recent fiscal years or any subsequent interim periods, the Company had no material disagreements with its external auditors, on accounting and financial disclosures.

Representatives of the Company's external auditors are expected to be present at the Annual Meeting and will have opportunity to make a statement, if they desire to do so, and are expected to be available to respond to appropriate questions.

Pursuant to the General Requirements of SRC Rule 68, Section 3.b.iv (Qualifications of Independent Auditors), the external auditors shall be rotated every after five (5) years of engagement. In case of a firm, the signing partner shall be rotated every after said period. The Company is in compliance with SRC Rule 68, Section 3.b.iv.

Item 11. Mergers, Consolidations, Acquisitions and Similar Matters

There are no matters to be discussed under Mergers, Consolidations, Acquisitions and Similar Matters.

Item 12. Acquisition or Disposition of Property

No action is to be taken with respect to the acquisition or disposition of any property.

Item 13. Restatement of Accounts

No action is to be taken with respect to the restatement of any asset, capital, or surplus account of the Registrant.

3. OTHER MATTERS

Item 14. Action with Respect to Reports

The following reports will be submitted for approval by the Stockholders:

1. The Minutes of the Annual Stockholders' Meeting held on December 11, 2019.
2. Audited Financial Statements for the year ended December 31, 2019.
3. Annual report for the year 2019.

Item 15. Matters Not Required to be Submitted

Other than those mentioned, there are no other actions to be taken at the Annual Meeting with respect to any matter which is not required to be submitted to a vote of security holders.

Item 16. Other Proposed Actions

- (a) *Ratification of All Acts of Management and the Board of Directors for the period December 11, 2019 to the date of the Stockholders' Meeting*

Stockholders' approval and / or ratification is sought with respect to the following results of meeting, actions and reports of the Board of Directors and Management for the period December 11, 2019 to the date of the Stockholders' Meeting:

Date	Results of Meeting, Action and Report																												
December 11, 2019	<p>Result of the Annual Stockholders' Meeting:</p> <ol style="list-style-type: none"> 1. Approval of the Minutes of the Annual Stockholders' Meeting held on December 13, 2018. 2. Adoption of the Audited Financial Statements and Annual Reports for the calendar year ended December 13, 2018. 3. Election of the following Directors: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 50%;">Director</th><th style="width: 50%;">Nationality</th></tr> </thead> <tbody> <tr> <td>Antonio Victoriano F. Gregorio III</td><td>Filipino</td></tr> <tr> <td>Chi Ho Co</td><td>Filipino</td></tr> <tr> <td>Delfin S. Castro, Jr.</td><td>Filipino</td></tr> <tr> <td>Richard N. Palou</td><td>Filipino</td></tr> <tr> <td>Ramoncito B. Cabalu</td><td>Filipino</td></tr> <tr> <td>Felixes G. Latonero</td><td>Filipino</td></tr> <tr> <td>Leonardo B. Cua</td><td>Filipino</td></tr> </tbody> </table> <p>Messrs. Latonero and Cua submitted their credentials to support their qualifications for the positions of Independent Directors. The Company adopts SRC Rule 38 (Requirements on Nomination and Election of Independent Directors) and compliance therewith has been made. The Company always undertakes to abide by the existing SRC Rule 38 on the required number of independent directors subject to any revision that may be prescribed by the SEC.</p> <ol style="list-style-type: none"> 4. All acts of the Board of Directors and Management for the period covered from the last Annual Stockholders Meeting of the Corporation held on December 13, 2018 to the date of the 2019 Annual Stockholders Meeting. 5. Appointment of Punongbayan and Araullo as the Company's external auditor for 2019. 	Director	Nationality	Antonio Victoriano F. Gregorio III	Filipino	Chi Ho Co	Filipino	Delfin S. Castro, Jr.	Filipino	Richard N. Palou	Filipino	Ramoncito B. Cabalu	Filipino	Felixes G. Latonero	Filipino	Leonardo B. Cua	Filipino												
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Leonardo B. Cua	Filipino																												
December 11, 2020	<p>At the organizational meeting of the Board of Directors the following transpired:</p> <ol style="list-style-type: none"> 1. Election of the officers of the Corporation: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tbody> <tr> <td style="width: 50%;">Chairman</td><td style="width: 50%;">Antonio Victoriano F. Gregorio III</td></tr> <tr> <td>President</td><td>Chi Ho Co</td></tr> <tr> <td>Treasurer</td><td>Delfin S. Castro, Jr.</td></tr> <tr> <td>Corporate Secretary</td><td>Venus L. Gregorio</td></tr> <tr> <td>Investor Relations Officer</td><td>Richard N. Palou</td></tr> </tbody> </table> <ol style="list-style-type: none"> 2. Appointment of members to the following Committees: <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th colspan="2" style="text-align: center;">Executive Committee</th></tr> </thead> <tbody> <tr> <td style="width: 50%;">Antonio Victoriano F. Gregorio III</td><td style="width: 50%;">Chairman</td></tr> <tr> <td>Richard N. Palou</td><td>Member</td></tr> <tr> <td>Chi Ho Co</td><td>Member</td></tr> <tr> <td>Felixes G. Latonero</td><td>Member</td></tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th colspan="2" style="text-align: center;">Governance Committee</th></tr> </thead> <tbody> <tr> <td style="width: 50%;">Felixes G. Latonero</td><td style="width: 50%;">Chairman</td></tr> <tr> <td>Richard N. Palou</td><td>Member</td></tr> <tr> <td>Leonardo B. Cua</td><td>Member</td></tr> </tbody> </table>	Chairman	Antonio Victoriano F. Gregorio III	President	Chi Ho Co	Treasurer	Delfin S. Castro, Jr.	Corporate Secretary	Venus L. Gregorio	Investor Relations Officer	Richard N. Palou	Executive Committee		Antonio Victoriano F. Gregorio III	Chairman	Richard N. Palou	Member	Chi Ho Co	Member	Felixes G. Latonero	Member	Governance Committee		Felixes G. Latonero	Chairman	Richard N. Palou	Member	Leonardo B. Cua	Member
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June 9, 2020	<p>Meeting of the Board of Directors where the following were approved and ratified:</p> <ol style="list-style-type: none"> 1. Board of Directors received and accepted the resignation of Mr. Chi Ho Co as President and Director of the Company effective July 15, 2020. Mr. Chi Ho Co stated that he needs to attend to his personal businesses. The members of the Board thanked Mr. Chi Ho Co for his service. 2. Postponement of the Annual Stockholders' Meeting scheduled to be held on the 2nd Thursday of May to a specific date and time to be determined by the President or Chairman. 3. Board Approval of the 2019 Audited Consolidated Financial Statements and Audited Parent Financial Statement of the Company as of year ended 2019 as prepared by Punongbayan and Araullo 																								
July 27, 2020	<p>Meeting of the Board of Directors where the following was approved and ratified:</p> <p>The Board of Directors elected Atty. Antonio Victoriano F. Gregorio III as President of the Company effective immediately. Atty. Gregorio will serve simultaneously as Chairman of the Board.</p>																								
November 6, 2020	<p>Meeting of the Board of Directors where the following was approved and ratified:</p> <p>Atty. Antonio Victoriano F. Gregorio III, Mr. Richard N. Palou, Atty. Venus L. Gregorio and Ms. Helene Marie S. Francisco submitted to the Board of Directors their resignations from their respective positions and designations. The Board of Directors accepted their resignations. The resignation will take effect at the close of business hours today.</p>																								
November 23, 2020	<p>Meeting of the Board of Directors where the following was approved and ratified:</p> <p>The Board of Directors elected Mr. Delfin S. Castro, Jr. as the President and appointed Atty. Arlene Mendoza Wilkerson as the Corporate Secretary and Mr. Reyno D. Dizon as Disclosure Officer of the Company.</p>																								

Item 17. Voting Procedures

(a) Vote Required for Approval

In all items for which stockholders' approval is sought as described in this Information Statement, each share of stock entitles its registered holder to one (1) vote.

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

(b) Method by which votes will be counted

There is no manner of voting prescribed in the By-Laws of the Company. Hence, voting may be done by *viva voce*, show of hands or by balloting.

The Corporate Secretary will be responsible for counting of votes based on the number of shares entitled to vote owned by stockholders who are present or represented by proxies at the Annual Meeting.

Item 18. Compliance with Leading Practices on Corporate Governance

1. The Company observes and complies with the mandate of the SEC on matters involving corporate governance. In 2013, the Company implemented a comprehensive Manual on Corporate Governance allowing for the creation and mandating the functions, responsibilities and duties of the Executive Committee, Governance Committee and Risk Management Committee in addition to its standing committees namely the Nomination, Audit and Compensation Committees. Their powers, duties and responsibilities, as provided for in the By-laws as well as in the Manual on Corporate Governance, are compliant with and consistent with the policies formulated under SEC memorandum Circular No. 6 Series of 2009. On May 29, 2017, the Company approved the Amended Manual on Corporate Governance, a copy of which was filed with the SEC on May 30, 2017.
2. On July 28, 2020, the Company filed the 2019 Integrated Annual Corporate Governance Report with the SEC.
3. Likewise, in compliance with SEC Memorandum Circular No. 20 Series of 2013, the following Directors and Officers attended the Corporate Governance Seminar conducted by Risks, Opportunities, Assessment and Management (ROAM), Inc. on December 4, 2019 at 7th Floor Peaksun Building, Princeton St., Mandaluyong City.

Name	Position
Antonio Victoriano F. Gregorio III	Chairman
Chi Ho Co	President
Delfin S. Castro, Jr.	Treasurer
Venus L. Gregorio	Corporate Secretary and CIO
Ramoncito B. Cabalu	Director
Richard N. Palou	Director
Leonardo B. Cua	Independent Director
Felixes G. Latonero	Independent Director

1. The Company submitted to the SEC and PSE the Sustainability Report for the year 2019. This is compliance with the SEC Memorandum Circular No. 4 series of 2019. A copy is part of the 2019 Annual Report form SEC 17A.

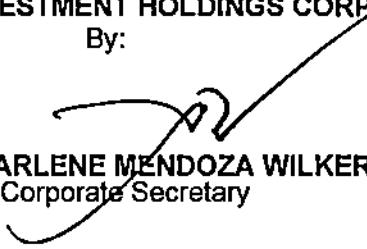
The Registrant will, without charge to any Shareholder entitled to notice and to vote, provide a copy of the Registrant's Annual Report or SEC Form 17-A, upon the written request of any such Shareholder to the Corporate Secretary, Lodestar Investment Holdings Corporation, 7th Floor, Peaksun Bldg., Princeton St. cor. Shaw Blvd., Wackwack, Mandaluyong City.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, we certify that the information set forth in this report is true, complete and correct.

This report is signed in Quezon City on November 26, 2020.

LODESTAR INVESTMENT HOLDINGS CORPORATION
By:


ATTY. ARLENE MENDOZA WILKERSON
Corporate Secretary

Management Report

A. Management Discussion and Analysis and Plan of Operation

Management's Discussion and Analysis (MD&A) or Plan of Operations

On July 21, 2015, the Company entered into Cancellation of the Heads of Agreement, Amended Heads of Agreement and Allied Contracts with Abacus Consolidated Resources Holdings, Inc. (ABACORE) and Abacus Coal Exploration and Development Corporation (ABACOAL). The cancellation was necessitated by the fact that the Merger with ABACOAL was not approved by LIHC shareholders for lack of quorum during the Annual Shareholder's Meeting called for the three (3) years prior. Thus, the Company no longer has any contractual interest over ABACOAL as a result of the cancellation of other Heads of Agreement and its allied contracts.

On October 25, 2016, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Mr. Nathaniel C. Go for the subscription, via private placement, to two hundred sixty million (260,000,000) shares at the subscription price of ten centavos (P 0.10) per share. The subscribed shares were issued out of the Company's current authorized capital stock of one hundred million pesos (P100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (P0.10) per share.

Likewise, on the same date, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Ms. Socorro P. Lim, for the subscription, via private placement, to two billion (2,000,000,000) shares at the subscription price of ten centavos (P 0.10) per share. The subscribed shares were issued out of the increase in the Company's authorized capital stock from one hundred million pesos (P100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (P0.10) per share to three hundred million pesos (P300,000,000.00) consisting of three billion (3,000,000,000) common shares, with a par value of ten centavos (P0.10) per share.

On December 8, 2016, the stockholders representing approximately 67.23 % of the outstanding capital stock of the Company affirmed, ratified and re-adopted the increase in the authorized capital stock of the Company. On June 14, 2017, the Securities and Exchange approved the increase in authorized capital stock.

Meantime, in line with the primary purpose of the Company as a holdings corporation, business outlook for 2018 and 2019 is geared towards looking for other business ventures. Thus, the Company may again tap into various sources to look for opportunities in the various business sectors that are viable, growing and profitable. The Company's strategy will be to invest-buy-in or acquire businesses where the Company will at least own a significant stake or interest of the investee Company's outstanding capital. The said investment amount will allow the Company to recognize its proportionate share of the equitized earnings from its investee companies.

Likewise, for the next twelve (12) months, the Company's cash requirements may still be satisfied from the proceeds/ collection of advances from stockholder and private placements.

At the current time, the Company has no definitive plans of:

- a. undertaking any product research and development;
- b. acquiring, purchasing or selling of any plant and significant equipment; and

- c. increasing the number of employees.

B. Description of Property

The Company does not own any real or personal properties at the current time. It does not own any real estate, plant and equipment, mines, patents, etc. The Company has no plans to acquire any properties in the next twelve (12) months.

FINANCIAL STATEMENTS

**Third Quarter 2020
(Unaudited Financial Statements)**

Management's Discussion and Analysis for the Interim Period Ended September 30, 2020 as compared with September 30, 2019:

Revenues

The Company did not earn any revenue during the nine-month period ended September 30, 2020 as it has not undertaken commercial operations.

Expenses

Expenses went down by ₦ 4.89 thousand or 0.92% from ₦ 533.29 thousand in September 2019 to ₦528.40 thousand in September 2020. The decrease was attributed mainly to lower expenses incurred during the period.

Net Loss

After deducting interest income from regular savings account, the Company posted a net loss of ₦ 484.51 thousand for the interim period ended September 2020 which is 1.45% or ₦ 7.15 thousand lower as compared to net loss of ₦ 491.65 thousand incurred for the same period in 2019.

Financial Condition

The Company's Total Assets comprising of Current Assets amount to ₦ 240.84 million which is 0.27% or ₦ 636.90 thousand higher than that of September 30, 2019 balance amounting to ₦240.21 million.

The Company's Total Liabilities increased by ₦ 797.12 thousand or 5,101.59% from ₦ 15.62 thousand in September 2019 to ₦ 812.75 thousand in September 2020.

Stockholders' equity posted a 0.07% or ₦ 160.22 thousand decrease from ₦240.19 million in September 2019 to ₦240.03 million in September 2020, attributable mainly to expenses incurred during the period.

Material Changes to the Company's pro-forma Balance Sheet as of September 30, 2020 as compared with pro-forma Balance Sheet as of September 30, 2019 (increase/decrease of 5 % or more)

33.20 % or ₦ 585 thousand decrease in advances to a stockholder from ₦ 1.76 million in September 2019 to ₦1.18 million in September 2020. This is due to collections received.

5,101.59% or ₦ 797.12 thousand increase in liabilities from ₦ 15.62 thousand in September 2019 to ₦ 812.75 thousand in September 2020 due to accrual of legal fees.

Key Performance Indicators

Considering the Company's non-operational status, the key performance indicators of the Company are as follows:	September 30, 2020	September 30, 2019
Current Ratio (1)	296.34x	15,373.16x
Quick Ratio (2)	290.69x	15,047.28x
Debt-equity ratio (3)	0.003x	0.0000x
Book value per share (4)	0.08x	0.08x
Net Profit Margin (5)	NA	NA

(1) Current Assets / Current Liabilities

Sept. 2020	(₱ 240,842,572 / ₱ 812,748)
Sept. 2019	(₱ 240,205,674 / ₱ 15,625)

(2) Cash / Current Liabilities

Sept. 2020	(₱ 236,255,174 / ₱ 812,748)
Sept. 2019	(₱ 235,113,717 / ₱ 15,625)

(3) Debt / Equity

Sept. 2020	(₱ 812,748 / ₱ 240,029,824)
Sept. 2019	(₱ 15,625 / ₱ 240,190,049)

(4) Equity /Subscribed Shares

Sept. 2020	(₱ 240,029,824 / 3,000,000,000)
Sept. 2019	(₱ 240,190,049 / 3,000,000,000)

The Current Ratio is the general measure of a company's liquidity. It represents the ratio of all current assets to all current liabilities. It is sometimes called the "Working Capital Ratio" because working capital is the excess of current assets over current liabilities.

The Quick Ratio is another measure of a company's liquidity. It is used to measure a company's ability to pay its liabilities using assets that are cash or very liquid. Since the Company does not have any marketable securities and accounts receivables, the computation of this ratio was based on cash alone. Quick ratio for the current period is lower as compared to the same period of last year.

The Debt to Equity Ratio is a measure of leverage, or the relative amount of funds provided by lenders and owners. This measures the amount of debt being used by the Company. The ratio for the current period is higher as compared with that of last year due to accrual of legal fees.

Book value Per Share is a measure of stockholders' equity. It represents the difference between total assets and total liabilities divided by the total number of shares outstanding.

Net Profit Margin Ratio related to the profits of a company to its sales, assets or equity. It indicates the rate of profit from sales and other revenues. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

Additional Financial Soundness Indicators

	September 30, 2020	September 30, 2019
Asset to equity ratio (1)	1.00x	1.00x
Interest Rate coverage ratio (2)	NA	NA
Gross Profit Margin (3)	NA	NA

(1) Total Assets / Total Equity	
Sept. 2020	(P 240,842,572 / P240,029,824)
Sept. 2019	(P 240,205,674 / P240,190,049)
(2) Income before Interest and Taxes / Interest Expense	
Sept. 2020	N/A
Sept. 2019	N/A
(3) Gross Profit / Sales	
Sept. 2020	N/A
Sept. 2019	N/A

Asset to Equity ratio measures the financial leverage and long-term solvency of the Company. It is derived by dividing the total asset from its total equity.

Interest Coverage Ratio determines how easily a company can pay interest on outstanding debt. The Company did not incur any interest on its advances.

Gross Profit Margin is derived by dividing gross profit by the sales. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

In this interim period:

- a) There is no known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring the Company to make payments;
- b) There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- c) There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period;
- d) There are no material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures;
- e) There are no 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;
- f) There are no significant elements of income or loss that did not arise from the Company's continuing operations;
- f) No seasonal or cyclical factor that affected this quarter's interim operations.

Second Quarter 2020 **(Unaudited Financial Statements)**

Management's Discussion and Analysis for the Interim Period Ended June 30, 2020 as compared with June 30, 2019:

Revenues

The Company did not earn any revenue during the six-month period ended June 30, 2020 as it has not undertaken commercial operations.

Expenses

Expenses went down by ₦ 31.17 thousand or 6.44% from ₦ 483.80 thousand in June 2019 to ₦452.62 thousand in June 2020. The decrease was attributed mainly to lower expenses incurred during the period.

Net Loss

After deducting interest income from regular savings account, the Company posted a net loss of ₦ 408.92 thousand for the interim period ended June 2020 which is 7.75% or ₦ 33.41 thousand lower as compared to net loss of ₦ 442.33 thousand incurred for the same period in 2019.

Financial Condition

The Company's Total Assets comprising of Current Assets amount to ₦ 240.92 million which is 0.27% or ₦ 659.04 thousand higher than that of June 30, 2019 balance amounting to ₦240.26 million.

The Company's Total Liabilities increased by ₦ 793 thousand or 3,223.86% from ₦ 24.60 thousand in June 2019 to ₦ 817.60 thousand in June 2020.

Stockholders' equity posted a 0.06% or ₦ 133.97 thousand decrease from ₦240.24 million in June 2020 to ₦240.11 million in June 2020, attributable mainly to expenses incurred during the period.

Material Changes to the Company's pro-forma Balance Sheet as of June 30 2020 as compared with pro-forma Balance Sheet as of June 30, 2019 (increase/decrease of 5 % or more)

35.47 % or ₦ 625 thousand decrease in advances to a stockholder from ₦ 1.76 million in June 2019 to ₦1.14 million in June 2020. This is due to collections received.

3,223.86% or ₦ 793.01 thousand increase in liabilities from ₦ 24 thousand in June 2019 to ₦ 817.60 thousand in June 2020 due to accrual of legal fees.

Key Performance Indicators

Considering the Company's non-operational status, the key performance indicators of the Company are as follows:	June 30, 2020	June 30, 2019
Current Ratio (1)	294.67x	9,767.62x
Quick Ratio (2)	289.11x	9,560.63x
Debt-equity ratio (3)	0.003x	0.0001x
Book value per share (4)	0.08x	0.08x
Net Profit Margin (5)	NA	NA

(5) *Current Assets / Current Liabilities*

June 2020	(P 240,923,006 / P 817,603)
June 2019	(P 240,263,970 / P 24,598)

(6) *Cash / Current Liabilities*

June 2020	(P 236,375,608 / P 817,603)
June 2019	(P 235,172,373 / P 24,598)

(7) *Debt / Equity*

June 2020	(P 817,603 / P 240,105,403)
June 2019	(P 24,598 / P 240,239,372)

(8) *Equity /Subscribed Shares*

June 2020	(P 240,105,403 / 3,000,000,000)
June 2019	(P 240,239,372 / 3,000,000,000)

The Current Ratio is the general measure of a company's liquidity. It represents the ratio of all current assets to all current liabilities. It is sometimes called the "Working Capital Ratio" because working capital is the excess of current assets over current liabilities.

The Quick Ratio is another measure of a company's liquidity. It is used to measure a company's ability to pay its liabilities using assets that are cash or very liquid. Since the Company does not have any marketable securities and accounts receivables, the computation of this ratio was based on cash alone. Quick ratio for the current period is lower as compared to the same period of last year.

The Debt to Equity Ratio is a measure of leverage, or the relative amount of funds provided by lenders and owners. This measures the amount of debt being used by the Company. The ratio for the current period is higher as compared with that of last year due to accrual of legal fees.

Book value Per Share is a measure of stockholders' equity. It represents the difference between total assets and total liabilities divided by the total number of shares outstanding.

Net Profit Margin Ratio related to the profits of a company to its sales, assets or equity. It indicates the rate of profit from sales and other revenues. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

Additional Financial Soundness Indicators

	June 30, 2020	June 30, 2019
Asset to equity ratio (1)	1.00x	1.00x
Interest Rate coverage ratio (2)	NA	NA
Gross Profit Margin (3)	NA	NA

(4) Total Assets / Total Equity

June 2020	(P 240,923,006 / P240,105,403)
June 2019	(P 240,263,970/ P240,239,372)

(5) Income before Interest and Taxes / Interest Expense

June 2020	N/A
June 2019	N/A

(6) Gross Profit / Sales

June 2020	N/A
June 2019	N/A

Asset to Equity ratio measures the financial leverage and long term solvency of the Company. It is derived by dividing the total asset from its total equity.

Interest Coverage Ratio determines how easily a company can pay interest on outstanding debt. The Company did not incur any interest on its advances.

Gross Profit Margin is derived by dividing gross profit by the sales. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

In this interim period:

- a) There is no known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring the Company to make payments;
- b) There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- c) There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period;
- d) There are no material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures;
- e) There are no 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;
- f) There are no significant elements of income or loss that did not arise from the Company's continuing operations;
- g) No seasonal or cyclical factor that affected this quarter's interim operations.

First Quarter 2020
(Unaudited Financial Statements)

Revenues

The Company did not earn any revenue during the three-month period ended March 31, 2020 as it has not undertaken commercial operations.

Expenses

Expenses went down by P 25.47 thousand or 6.39% from P 398.49 thousand in March 2019 to P373.02 thousand in March 2020. The decrease was attributed mainly to lower expenses incurred during the period.

Net Loss

After deducting interest income from regular savings account, the Company posted a net loss of P 329.55 thousand for the interim period ended March 2020 which is 7.75% or P 27.68 thousand lower as compared to net loss of P 357.23 thousand incurred for the same period in 2019.

Financial Condition

The Company's Total Assets comprising of Current Assets amount to P 241.18 million which is 0.17% or P 414.33 thousand higher than that of March 31, 2019 balance amounting to P240.77 million.

The Company's Total Liabilities increased by P 554.03 thousand or 125.02% from P443.15 thousand in March 2019 to P 997.18 thousand in March 2020.

Expenses went down by P 25.47 thousand or 6.39% from P 398.49 thousand in March 2019 to P373.02 thousand in March 2020. The decrease was attributed mainly to lower expenses incurred during the period.

Net Loss

After deducting interest income from regular savings account, the Company posted a net loss of P329.55 thousand for the interim period ended March 2020 which is 7.75% or P 27.68 thousand lower as compared to net loss of P 357.23 thousand incurred for the same period in 2019.

Financial Condition

The Company's Total Assets comprising of Current Assets amount to P 241.18 million which is 0.17% or P 414.33 thousand higher than that of March 31, 2019 balance amounting to P240.77 million.

The Company's Total Liabilities increased by P 554.03 thousand or 125.02% from P443.15 thousand in March 2019 to P 997.18 thousand in March 2020.

Stockholders' equity posted a 0.06% or P 139.69 thousand decrease from P240.32 million in March 2019 to P240.18 million in March 2020, attributable mainly to higher expenses incurred during the period.

Material Changes to the Company's pro-forma Balance Sheet as of March 31, 2020 as compared with pro-forma Balance Sheet as of March 31, 2019 (increase/decrease of 5 % or more)

33.20 % or P 585 thousand decrease in advances to a stockholder from P 1.76 million in March 2019 to P1.18 million in March 2020. This is due to collections received.

125.02% or P 554.03 thousand increase in liabilities from P 443.15 thousand in March 2019 to P 997.18 thousand in March 2020 due to accrual of legal fees.

Key Performance Indicators

Considering the Company's non-operational status, the key performance indicators of the Company are as follows:	March 31, 2020	March 31, 2019
Current Ratio (1)	241.86x	543.31x
Quick Ratio (2)	237.26x	531.79x
Debt-equity ratio (3)	0.00415x	0.0018x
Book value per share (4)	0.08x	0.08x
Net Profit Margin (5)	NA	NA

<i>(1) Current Assets / Current Liabilities</i>	
<i>March 2020</i>	<i>(P 241,181,956 / P 997,178)</i>
<i>March 2019</i>	<i>(P 240,767,622 / P 443,152)</i>
<i>(2) Cash / Current Liabilities</i>	
<i>March 2020</i>	<i>(P 236,594,558 / P 997,178)</i>
<i>March 2019</i>	<i>(P 235,664,316 / P 443,152)</i>
<i>(3) Debt / Equity</i>	
<i>March 2020</i>	<i>(P 997,178 / P 240,184,778)</i>
<i>March 2019</i>	<i>(P 443,152 / P 240,324,471)</i>
<i>(4) Equity /Subscribed Shares</i>	
<i>March 2020</i>	<i>(P 240,184,778 / 3,000,000,000)</i>
<i>March 2019</i>	<i>(P 240,324,471 / 3,000,000,000)</i>

The Current Ratio is the general measure of a company's liquidity. It represents the ratio of all current assets to all current liabilities. It is sometimes called the "Working Capital Ratio" because working capital is the excess of current assets over current liabilities.

The Quick Ratio is another measure of a company's liquidity. It is used to measure a company's ability to pay its liabilities using assets that are cash or very liquid. Since the Company does not have any marketable securities and accounts receivables, the computation of this ratio was based on cash alone. Quick ratio for the current period is higher as compared to the same period of last year.

The Debt to Equity Ratio is a measure of leverage, or the relative amount of funds provided by lenders and owners. This measures the amount of debt being used by the Company. The ratio for the current period is higher as compared with that of last year due to accrual of legal fees.

Book value Per Share is a measure of stockholders' equity. It represents the difference between total assets and total liabilities divided by the total number of shares outstanding.

Net Profit Margin Ratio related to the profits of a company to its sales, assets or equity. It indicates the rate of profit from sales and other revenues. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

Additional Financial Soundness Indicators

	March 31, 2020	March 31, 2019
Asset to equity ratio (1)	1.00x	1.00x
Interest Rate coverage ratio (2)	NA	NA
Gross Profit Margin (3)	NA	NA

(1) *Total Assets / Total Equity*
 March 2020 (P 241,181,956 /
 P240,184,778) March 2019 (P
 240,767,622/P240,324,471)

(2) *Income before Interest and Taxes / Interest Expense* March 2020 N/A
 March 2019 N/A

(3) *Gross Profit / Sales*
 March 2020 N/A
 March 2019 N/A

Asset to Equity ratio measures the financial leverage and long-term solvency of the Company. It is derived by dividing the total asset from its total equity.

Interest Coverage Ratio determines how easily a company can pay interest on outstanding debt. The Company did not incur any interest on its advances.

Gross Profit Margin is derived by dividing gross profit by the sales. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

In this interim period:

- a) There is no known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring the Company to make payments;
- b) There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- c) There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period;
- d) There are no material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures;
- e) There are no 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;
 - i) There are no significant elements of income or loss that did not arise from the Company's continuing operations;
 - ii) No seasonal or cyclical factor that affected this quarter's interim operations.

Full Fiscal Years

Key Financial Indicator	Year 2019	Year 2018	Year 2017
Revenues	2,204,769	2,216,426	1,066,520
Cost and Expenses	2,372,144	2,457,333	2,763,403
Other Losses	-	-	0
Net Income (Loss)	(167,375)	(240,907)	(1,696,883)
Current Assets	241,821,632	242,830,077	241,970,827
Current Liabilities	1,307,306	2,148,376	1,048,219
Total Assets	241,821,632	242,830,077	241,970,827
Total Liabilities	1,307,306	2,148,376	1,048,219
Stockholders' Equity	240,514,326	240,681,701	240,922,608
Current Ratio	184.98	113.03	230.84
Current Assets / Current Liabilities	241,821,632 / 1,307,306	242,830,077 / 2,148,376	241,970,827 / 1,048,219
Debt to Equity Ratio	0.005	0.009	0.004
Total Liabilities/Stockholders' Equity	1,307,306 / 240,514,326	2,148,376 / 240,681,701	1,048,219 / 240,922,608
Return on assets	NA	NA	NA
Net Income / Total Assets			
Earnings (Loss) Per Share	(0.000)	(0.000)	(0.001)
Net Income (Loss) / No. of shares outstanding	(167,375) / 3,000 B	(240,907) / 3,000 B	(1,696,883) / 3,000 B

The Current Ratio is the general measure of a company's liquidity. It represents the ratio of all current assets to all current liabilities. It is sometimes called the "Working Capital Ratio" because working capital is the excess of current assets over current liabilities. Current ratio is higher than the same period last year due to cash brought about by private placement activities.

The Debt to Equity Ratio is a measure of leverage, or the relative amount of funds provided by lenders and owners. This measures the amount of debt being used by the Company. The ratio for the current period is lower as compared with that of last year.

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.

Earnings per share (EPS) are the portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serve as an indicator of a company's profitability. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

Calendar Year 2019

Proceeds of the increase of capital stock via private placements approved on June 14, 2017 by the securities and Exchanges Commission will be used for investments into corporate undertakings or businesses. These are still yet definite or identified as of date, hence, no acquisition or combination has resulted from, or accompanies the transactions.

For 2019, the Company has incurred expenses amounting to ₦ 2.372 million, 3.47% or ₦0.085 million lower as compared with 2018 expenses of ₦ 2.46 million. Interest earned from available cash deposits amounts to ₦ 2.205 million a slight lower compared to ₦ 2.216 million earned in 2018.

The above transactions resulted to a 0.30 % or ₦ 0.64 million decrease in cash from ₦ 237.49 million in December 31, 2018 to ₦ 236.85 million in December 31, 2019.

There was a 23.50% or ₦ 480 thousand net decrease in related party transactions due to partial collection.

There was a 3.46% or ₦ 112.43 thousand increase in other current assets due to increase in input tax.

There was a 39.15% or ₦ 0.841 million net decrease in liabilities due to partial settlement of unpaid accounts.

There was decrease of ₦ 167.38 thousand in deficits due to net loss incurred during the year.

Full Fiscal Years

Key Financial Indicator	Year 2018	Year 2017	Year 2016
Revenues	2,216,420	1,066,520	154,114
Cost and Expenses	2,457,333	2,763,403	2,436,685
Other Losses	-	-	1,108,560
Net income (Loss)	(240,907)	(1,696,883)	(3,390,131)
Current Assets	242,830,077	241,970,827	95,204,724
Current Liabilities	2,148,376	1,048,219	1,585,233
Total Assets	242,830,077	241,970,827	95,204,724
Total Liabilities	2,148,376	1,048,219	1,585,233
Stockholders' Equity	240,681,701	240,922,608	93,619,491
Current Ratio	113.03	230.84	60.06
Current Assets / Current Liabilities	242,830,077 / 2,148,376	241,970,827 / 1,048,219	95,204,724 / 1,585,233
Debt to Equity Ratio	0.009	0.004	0.017
Total Liabilities/Stockholders' Equity	2,148,376 / 240,681,701	1,048,219 / 240,922,608	1,585,233 / 93,619,491
Return on assets	NA	NA	NA
Net Income / Total Assets			
Earnings (Loss) Per Share	(0.000)	(0.000)	(0.003)
Net Income (Loss) / No. of shares outstanding	(240,907) / 3,000 B	(1,696,883) / 3,000 B	(3,390,131) / 1,000 B

The Current Ratio is the general measure of a company's liquidity. It represents the ratio of all current assets to all current liabilities. It is sometimes called the "Working Capital Ratio" because working capital is the excess of current assets over current liabilities. Current ratio is higher than the same period last year due to cash brought about by private placement activities.

The Debt to Equity Ratio is a measure of leverage, or the relative amount of funds provided by lenders and owners. This measures the amount of debt being used by the Company. The ratio for the current period is lower as compared with that of last year.

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.

Earnings per share (EPS) are the portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serve as an indicator of a company's profitability. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

Calendar Year 2018

For 2018, Lodestar has yet to undertake commercial operations, hence, reported losses in 2018 amount to ₦0.24 million. For the next twelve months, the proceeds from its private placements will provide the Company with investable funds and working capital for prospective projects.

Proceeds of the increase of capital stock via private placements approved on June 14, 2017 by the Securities and Exchange Commission will be used for investments into corporate undertakings or businesses though these are still not yet definite or identified as of date, hence, no acquisition or combination has resulted from, or accompanies the transactions.

The private placement transactions resulted to a 0.60 % or ₦ 1.31 million increase in cash from ₦ 236.18 million in Dec. 31, 2017 to ₦ 237.49 million in Dec. 31, 2018.

There was a 21.0% or ₦ 542.82 thousand net decrease in related party transactions due to partial collection.

There was a 2.80% or ₦89.66 thousand increase in other current assets due to increase in input tax.

There was a 105% or ₦ 1.00 million net increase in liabilities due to accrual of legal and audit fees.

There was an increase of ₦ 240.91 thousand in deficits mainly due to net loss incurred during the year.

For 2018, interest income of ₦ 2.22 million was 107.80% or ₦1.15 million higher as compared to 2017 interest income of only ₦ 1.07 million due to substantial increase in cash brought about by the private placement transaction.

Cost and expenses of ₦ 2.46 million was 11.08% or ₦306.07 thousand lower as compared to 2017 operating expenses of ₦ 2.76 million. The decrease is mainly attributable to cost of documentary stamp tax and filing fees paid relative to the increase in authorized capital stock in 2017.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

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

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligation), and other relationships of the Company with unconsolidated entities or other persons created during the year.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no seasonal aspects that had a material effect on the Company's financial condition or results of operations.

There are no material events and uncertainties known to management that would address the past and would have an impact on future operations of the Registrant.

Calendar Year 2017

On June 14, 2017, the Securities and Exchange Commission approved the increase of capital stock via private placements from One Billion (1,000,000,000) common shares with a par value of Ten Centavos (P 0.10) per share to Three Billion (3,000,000,000) common shares with a par value of Ten Centavos (P 0.10).

Portions of the proceeds of these transactions will be used for investments into corporate undertakings or businesses though these are still not yet definite or identified as of date, hence, no acquisition or combination has resulted from, or accompanies the transactions.

The above transactions resulted to a 172.3 % or P 149.43 million increase in cash from P 86.75 million in Dec. 31, 2016 to P 236.18 million in Dec. 31, 2017.

There was a 39.2% or P 727.82 thousand net increase in related party transactions

There was a 51.4% or P3.39 million decrease in other current assets due to collection of receivables from a third party.

There was a 33.9% or P 537.01 thousand net decrease in liabilities due to partial settlement of payables.

There was a 100% increase in capital stock due to full payment of private placements made in 2016. An increase of 2.2% or P 2.70 million in deficits is mainly due to the net loss incurred during the year.

For 2017, interest income of P1.07 million was 592.00% or P912.41 thousand higher as compared to 2016 interest income of only P 154.11 thousand due to substantial increase in cash brought about by full payment of private placements.

Cost and expenses of P 3.76 million was 54.51% or P1.33 million higher compared to 2016 operating expenses of P 2.44 million. The increase is mainly attributable to cost of documentary stamp tax and filing fees paid relative to the increase in authorized capital stock.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

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

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligation), and other relationships of the Company with unconsolidated entities or other persons created during the year.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no seasonal aspects that had a material effect on the Company's financial condition or results of operations.

There are no material events and uncertainties known to management that would address the past and would have an impact on future operations of the Registrants.

Financial Statements

The Company's Annual Financial Statements for 2019 together with the notes thereto are attached together with the First, Second and Third Quarters financial statements for 2020.

Item 7. Independent Public Accountant

For 2020, the Company will seek shareholders' approval of the appointment of Punongbayan and Araullo (P&A) as the Company's external auditors.

A representative from P&A will be present at the Annual Stockholders' Meeting with an opportunity to make a statement, if they so desire, and to respond to appropriate questions.

Mr. Christopher M. Ferareza was the signing partner from Punongbayan and Araullo who reviewed the Company's financial statements for 2019 and 2018. For 2017, Mangay-ayam, Lim & Co. (MLCPA) reviewed the financial statements with Mr. Rodrigo M. Mangay-ayam as the signing partner.

P&A, was the Company's independent auditor from 2009 to 2016. Fees paid by the Company for audit services amounted to ₱400,000.00, ₱400,000.00 and ₱280,000.00 for 2019, 2018 and 2017, respectively.

In 2016, P&A was commissioned not only to conduct the annual audit of financial statements but also to prepare a special audit report to support the Company's application for increase in authorized capital stock. Service fees amounted to ₱ 69,000.00. In the same year, MLCPA was appointed to process the increase in authorized capital stock of the company for a fee of ₱ 300,000.00

The Company is not covered by BIR RMC No. 36-2016 and Professional Regulatory Board of Accountancy Resolution No. 03 Series of 2016 requiring the submission of certificate by the responsible Certified Public Accountants on the Compilation Services for the preparation of financial statements and notes thereto. The ruling covers those issuers which have a gross sales or revenues exceeding Ten Million Pesos (₱ 10,000,000.00) for a particular accounting year. The Financial Statements and the notes thereto are prepared by the Interim Accountant of the Issuer.

External Audit Fees and Services

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

	2019	2018	2017
Audit Fee	400,000.00	400,000.00	280,000.00

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

The Company's External Auditor for calendar year 2019 was Punongbayan and Araullo.

In compliance with the BIR RMC No. 36-2016 and Professional Regulatory Board of Accountancy Resolution No. 03 Series of 2016, the financial statements and notes thereto for the calendar year ended December 31, 2019 were prepared by the Issuer's Interim Accountant. There were no disagreements with Accountants on accounting and financial disclosure.

Pursuant to the General Requirements of SRC Rule 68, Section 3.b.iv (Qualifications of Independent Auditors), the external auditors shall be rotated every after five (5) years of engagement. In case of a firm, the signing partner shall be rotated every after said period. The Company is in compliance with SRC Rule 68, Section 3.b.iv.

Directors and Executive Officers

Article III, Section 2 of the Company's Amended By-laws provides:

"The Board of Directors shall have seven (7) Directors who shall be elected from among the stockholders entitled to vote and be voted upon at the Annual Stockholders' Meeting fixed in the By-laws. The Directors shall serve for a period of one (1) year. In the event that the succeeding Special Stockholders' Meeting is postponed, the directors shall serve on a hold-over capacity until the election and qualification of their successors."

SEC Memorandum Circular No. 4, Series of 2017:

No one among the two (2) Independent Directors has exceeded their terms as per Securities and Exchange Commission M.C. No. 4, series 2017.

The incumbent directors and officers of the Company with their corresponding position, age, citizenship, and business experience for the past five (5) years are indicated in Item 5 of the Information Statement.

To the best knowledge of the Company, no one among the directors and officers works with the government.

Executive Compensation

Please see item 6, page 24 of the Information Statement

Security Ownership of Certain Beneficial Owners and Management

Please see item 4, letter D, page 14 – 16 of the Information Statement

Certain Relationships and Related Transactions

The Company has no related transactions to report owing to the lack of business operations for the last 2 fiscal years.

We are not part of any conglomerate or any group of companies, so we cannot show any relationship between parent company and subsidiaries. (As prescribed Annex SRC Rule 68-C.)

Corporate Governance

Please see item 18, page 33 of the Information Statement.

COVID-19 Pandemic

There is no material effect from risks/impact from COVID-19 Pandemic on the operations of the Company.

The Company has adopted social distancing measures as well as placed hand sanitizers and alcohol dispensers in strategic areas to minimize the risk of contamination. The Company shall continue to promote cleanliness and proper hygiene within the organization as well as its stakeholders. Precautionary measures are being monitored and followed as prescribed by the Department of Health to mitigate the risks involved.

Signature

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused to be signed on its behalf by the undersigned hereto duly authorized.

LODESTAR INVESTMENT HOLDINGS CORPORATION
Issuer

ATTY. ARLENE MENDOZA WILKERSON
Corporate Secretary

ANNEX "A"

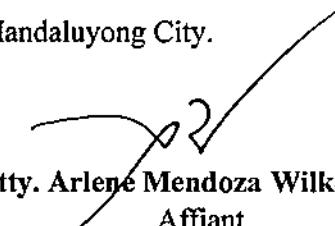
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) S.S

CERTIFICATION

I, Arlene Mendoza Wilkerson, Filipino, of legal age, with address at the 7th Floor, Peaksun Building, Princeton St., Barangay Wack-Wack, Greenhills East, Mandaluyong City, after having sworn in accordance with law hereby depose and state that:

1. I am the Corporate Secretary of Lodestar Investment Holdings Corporation with office address at the 7th Floor, Peaksun Building, Princeton St., Barangay Wack-Wack, Greenhills East, Mandaluyong City.
2. As certified to by, and based on the curriculum vitae of directors, officers and nominees for directors submitted to the Company, none of them are connected with any government agencies and instrumentalities.

Done this 26 NOV 2020 day of November 2020 at Mandaluyong City.


Atty. Arlene Mendoza Wilkerson
Affiant

SUBSCRIBED AND SWORN to before me this 26 NOV 2020 day of November 2020, at Mandaluyong City, affiant exhibiting to me her Driver's License #D04-90-039002 expiring March 5, 2022

ATTY. JUAN JAIME D. NOLASCO
NOTARY PUBLIC - DEC. 31, 2021
IBP NO. 100857 - 01/03/2020 - RIZAL
PTR NO. 4330763 - 1/6/2020 - MAND. CITY
ROLL NO. 60888 / MCLE NO. VI-0020547 / 04/14/2022
UNIT 3F CSV BLDG. MAYSILo CIRCLE
BRGY. PLAINVIEW MAND. CITY

Doc No. NO9;
Page No. 67;
Book No. 11;
Series of 2020.

ANNEX "B"

CERTIFICATION OF INDEPENDENT DIRECTOR

I, LEONARDO B. CUA, M.D. Filipino, of legal age, with residence address at #52A Victoria Avenue, New Manila, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Lodestar Investment Holdings Corporation and have been an independent director since 11 December 2019.
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

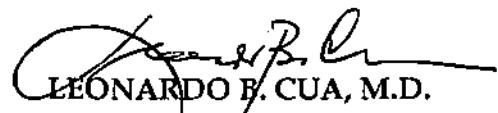
<u>Company/Organizations</u>	<u>Position/Relationship</u>	<u>Period of Service</u>
JMC Derm Specialist Clinic	Co-owner Cosmetic Surgeon	2003 to present
Dizon Copper Silver Mines, Inc.	Director	2012 to present
Philippine Medical Association	Member	1981 to present
Philippine Society of Anaesthesiologists	Member	1987 to present
Nihao Mineral Resources International, Inc.	Independent Director	2017 to present
University of the East Ramon Magsaysay Memorial Medical Center	Vising Consultant	1982 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Lodestar Investment Holdings Corporation, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to the directors/officers/substantial shareholders of Lodestar Investment Holdings Corporation other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I am not in government service nor affiliated with a government agency or Government-Owned and Controlled Corporations.

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

IN WITNESS WHEREOF, I have executed this Certification of
Independent Director on this 26 day of October 2020 at MANDALUYONG CITY.

26 NOV 2020


LEONARDO B. CUA, M.D.

REPUBLIC OF THE PHILIPPINES)
MANDALUYONG CITY)S.S.

SUBSCRIBED AND SWORN to before me this 26 NOV 2020 day of October
2020 at MANDALUYONG CITY, affiant personally appeared to me and exhibited to me
his Passport No. EB4194292 issued on 14 February 2016 at DFA NCR East -
Mandaluyong City.

Doc. No. 208
Page No. 67
Book No. II
Series of 2020.

ATTY. JUAN JAIME O. NOLASCO
NOTARY PUBLIC UNTIL DEC. 31, 2021
NPN. 100857 - 01/03/2021 - RIZAL
PTR NO. 4330763 - 1/6/2020 - MAND. CITY
ROLL NO. 60888 / MCLE NO. VI-0020547 / 04/14/2022
UNIT 3F CSV BLDG. MAYSILo CIRCLE
BRGY. PLAINVIEW MAND. CITY

ANNEX "C"

CERTIFICATION OF INDEPENDENT DIRECTOR

I, RAE ALVYN H. LIM, Filipino, of legal age, with residence address at 313 P. Samonte St., Pasay City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Lodestar Investment Holdings Corporation.
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

<u>Company/Organizations</u>	<u>Position/Relationship</u>	<u>Period of Service</u>
Anteriore Inc.	Vice-President	2017-Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Lodestar Investment Holdings Corporation, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to the directors/officers/substantial shareholders of Lodestar Investment Holdings Corporation other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I am not in government service nor affiliated with a government agency or Government-Owned and Controlled Corporations.
7. I shall inform the Corporate Secretary of Lodestar Investment Holdings Corporation of any changes in the above-mentioned information within five (5) days from its occurrence.

IN WITNESS WHEREOF, I have executed this Certification of MANDALUYONG CITY
Independent Director on this 16 NOV 2020 of October 2020 at _____.

Rae Alvin H. Lim
RAE ALVIN H. LIM

SUBSCRIBED AND SWORN to before me this 26 NOV 2020 day of October
2020 at MANDALUYONG CITY, affiant personally appeared to me and exhibited to me
his Bureau of Internal Revenue Tax Identification Number 456-141-788.

Doc. No. 70-
Page No. 67;
Book No. 11;
Series of 2020.

~~ATTY. JUAN JAIME D. NOLASCO
NOTARY PUBLIC UNTIL DEC 31, 2021
IBP NO. 100857 - 01/03/2015 - RIZAL
PTR NO. 4330763 - 1/6/2020 - MAND. CITY
ROLL NO. 60888 / MCLE NO. VI-0020547 / 04/14/2022
UNIT 3F CSV BLDG. MAYSILo CIRCLE
BRGY. PLAINVIEW MAND. CITY~~



P&A
Grant Thornton
An instinct for growth™

ANNEX "D"

FOR SEC FILING

**Financial Statements and
Independent Auditors' Report**

Lodestar Investment Holdings Corporation

December 31, 2019 and 2018
(With Comparative Figures for 2017)



P&A
Grant Thornton
An instinct for growth™

Report of Independent Auditors

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

The Board of Directors
Lodestar Investment Holdings Corporation
7th Floor, Peaksun Bldg., 1505 Princeton St.
corner Shaw Blvd., Wack Wack Greenhills East
Mandaluyong City

Report on the Audit of the Financial Statements

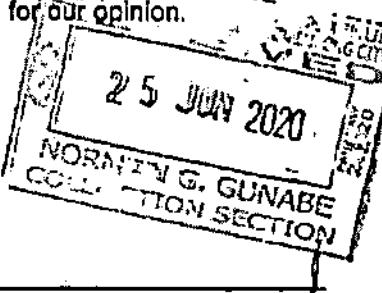
Opinion

We have audited the financial statements of Lodestar Investment Holdings Corporation (the Company), which comprise the statements of financial position as at December 31, 2019 and 2018, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

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





Emphasis of Matter

We draw attention to Note 15 of the financial statements, which describes management's assessment of the impact on the Company's financial statements of the business disruption brought about by the corona virus outbreak and consequent events after the reporting period. Management has determined that these are non-adjusting events and as such, had no impact on the Company's financial statements for the year ended December 31, 2019. As further stated in Note 15, management was unable to reliably estimate yet as at the issuance date of the financial statements the impact of said events on the Company's financial condition and operations in subsequent periods. Our opinion is not modified in respect to this matter.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements which indicates that the Company remains dormant and it has a deficit as at December 31, 2019 and 2018. As stated in Note 1, this condition indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. In response to this matter, the Company has implemented its capital raising plans by issuance of its remaining unissued shares amounting to P26.0 million in October 2016; increasing its authorized capital stock; and, issuance of P200.0 million shares of stock to a new investor in 2017. These provided the Company working capital and available funds to invest or acquire at least a significant stake or ownership interest in businesses. Accordingly, the accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business. In connection with our audits, we have performed adequate audit procedures to test the assumptions used by management in assessing the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

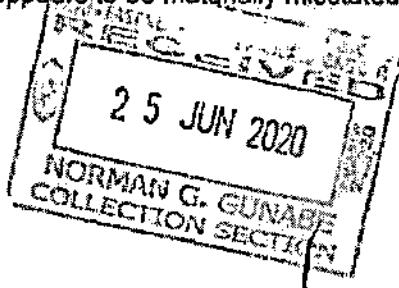
We have not determined any key audit matters to communicate in our report other than the matter described in the *Material Uncertainty Related to Going Concern* section.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Company's definitive information statement, SEC Form 17-A, but of which do not include the financial statements and our auditors' report thereon and the annual report. The definitive information statement, SEC Form 17-A and annual report are expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



Other Matter

The Company's financial statements as of and for the year ended December 31, 2017 were audited by other auditors whose report, dated April 5, 2018, expressed an unqualified opinion on those financial statements prior to restatement. As part of our audit of the 2018 financial statements, we have also audited the adjustments that were applied to restate the 2017 financial statements of the Company.

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

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

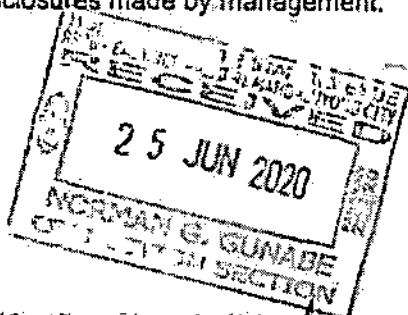
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2019 required by the Bureau of Internal Revenue as disclosed in Note 15 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



The engagement partner on the 2019 and 2018 audits resulting in this independent auditors' report is Christopher M. Ferarezza.

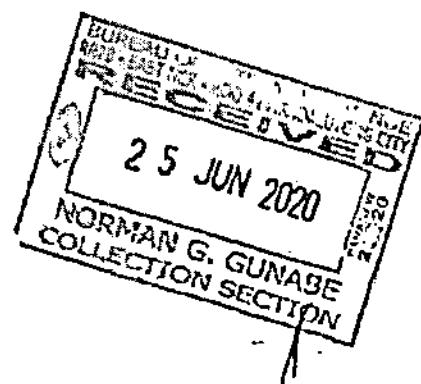
PUNONGBAYAN & ARAULLO



By: **Christopher M. Ferarezza**
Partner

CPA Reg. No. 0097462
TIN 184-595-975
PTR No. 8116545, January 2, 2020, Makati City
SEC Group A Accreditation
Partner - No. 1185-AR-2 (until May 9, 2021)
Firm - No. 0002-FR-5 (until Mar. 26, 2021)
BIR AN 08-002511-34-2017 (until Jun. 19, 2020)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

June 9, 2020



LODESTAR INVESTMENT HOLDINGS CORPORATION

7th Floor Peaksun Building, 1505 Princeton Street corner Shaw Blvd.,
Brgy. Wack Wack Greenhills East, Mandaluyong City

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

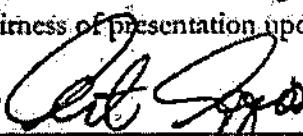
The management of Lodestar Investment Holdings Corporation (the Company) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2019 and 2018 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

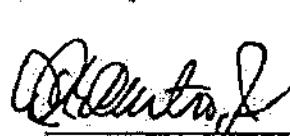
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

Punongbayan and Araullo, the independent auditor appointed by the stockholders, have audited the financial statements of the Company in December 31, 2019 and 2018, respectively, in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.


ANTONIO VICTORIANO F. GREGORIO III
Chairman of the Board


CHI HO CO
President


DELFIN S. CASTRO, JR.
Chief Financial Officer

Signed this 9th day of June 2020.

JUN 09 2020

SUBSCRIBED AND SWORN to before me this _____ day of _____ 2020 at Mandaluyong City.

NAME

TIN

Antonio Victoriano F. Gregorio III

TIN 201-897-602-000

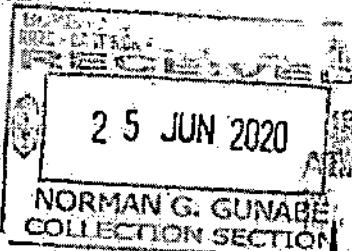
Chi Ho Co

TIN 167-858-435-000

Delfin S. Castro, Jr.

TIN 164-381-790-000

Doc No.: 107
Page No.: 21
Book No.:
Series of 2020

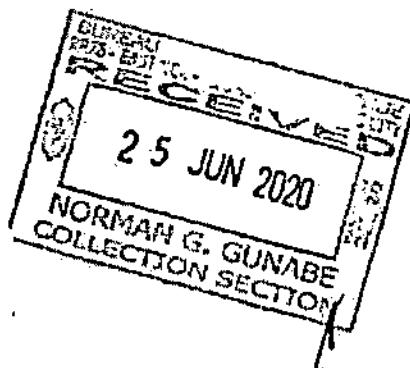


MR. JUAN JAIME MOLASCO
ARY PUBLIC NOTARY - EXPIRE: 31/12/2021
ID: 10182 11031422 - MAND. CITY
NO. 43, 10th St. - 1/5/2020 - MAND. CITY
ROLL NO. 600844 - CIRCLE NO. VI-0020547 / 04/14/2022
UNIT 3F CSM BLDG. MAYSILo CIRCLE
CRUY. PLAINVIEW MAND. CITY

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
CURRENT ASSETS			
Cash	7	P 236,853,407	P 237,494,282
Advances to a stockholder	10	1,562,076	2,042,076
Other current assets	8	<u>3,406,149</u>	<u>3,293,719</u>
TOTAL ASSETS		P 241,821,632	P 242,830,077
<u>LIABILITIES AND EQUITY</u>			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	9	P 1,307,306	P 2,148,376
EQUITY			
Capital stock	11	300,000,000	300,000,000
Additional paid-in capital		65,714,858	65,714,858
Deficit		(125,200,532)	(125,033,157)
Net Equity		<u>240,514,326</u>	<u>240,681,701</u>
TOTAL LIABILITIES AND EQUITY		P 241,821,632	P 242,830,077

See Notes to Financial Statements.



LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(With Comparative Figures for 2017)
(Amounts in Philippine Pesos)

	Notes	2019	2018	2017
	P	P	P	P
REVENUE				
EXPENSES				
Legal fees	10	875,000	875,000	840,000
Professional fees		588,850	618,000	733,540
Membership dues		259,920	256,000	258,000
Directors' fees		100,000	152,632	138,889
Printing and office supplies		33,361	46,805	70,175
Representation and entertainment		25,871	25,929	42,806
Taxes and licenses	17	14,739	15,174	15,444
Listing and filing fees		7,575	7,575	422,585
Miscellaneous		25,874	16,933	28,657
		<u>1,931,190</u>	<u>2,014,048</u>	<u>2,550,096</u>
OPERATING LOSS		1,931,190	2,014,048	2,550,096
FINANCE INCOME	7	2,204,769	2,216,426	1,066,520
PROFIT (LOSS) BEFORE TAX		273,579	202,378	(1,483,576)
TAX EXPENSE	13	440,954	443,285	213,307
NET LOSS		167,375	240,907	1,696,883
OTHER COMPREHENSIVE INCOME				
TOTAL COMPREHENSIVE LOSS		P 167,375	P 240,907	P 1,696,883
LOSS PER SHARE	12	P 0.0001	P 0.0001	P 0.0007

See Notes to Financial Statements.



LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018
(With Comparative Figures for 2017)
(Amounts in Philippine Pesos)

Notes	Capital Stock (Note 11)	Additional Paid-in Capital (Note 11)	Deposit for Future Stock Subscription (Note 11)	Deficit (Note 2)	Total
Balance at January 1, 2019	P 300,000,000	P 65,714,858	P -	(P 125,033,157)	P 240,681,701
Total comprehensive loss for the year	-	-	-	(167,375)	(167,375)
 Balance at December 31, 2019	<u>P 300,000,000</u>	<u>P 65,714,858</u>	<u>P -</u>	<u>(P 125,200,532)</u>	<u>P 240,514,326</u>
Balance at January 1, 2018	P 300,000,000	P 65,714,858	P -	(P 124,792,250)	P 240,922,608
Total comprehensive loss for the year	-	-	-	(240,907)	(240,907)
 Balance at December 31, 2018	<u>P 300,000,000</u>	<u>P 65,714,858</u>	<u>P -</u>	<u>(P 125,033,157)</u>	<u>P 240,681,701</u>
Balance at January 1, 2017	P 100,000,000	P 66,714,858	P 50,000,000	(P 123,095,367)	P 93,619,491
Transactions with stockholders:					
Subscription and issuance of shares	II 2 200,000,000	- (1,000,000)	(50,000,000)	- (1,696,883)	150,000,000 (1,000,000) (1,696,883)
Transaction cost	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(124,792,250)	(124,792,250)
 Balance at December 31, 2017	<u>P 300,000,000</u>	<u>P 65,714,858</u>	<u>P -</u>	<u>(P 124,792,250)</u>	<u>P 240,922,608</u>

See Notes to Financial Statements.

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 and 2018
(With Comparative Figures for 2017)
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before tax		P 273,579	P 202,378	(P 1,483,576)
Adjustment for interest income	7	(2,204,769)	(2,216,426)	(1,066,520)
Operating loss before working capital changes		(1,931,190)	(2,014,048)	(2,550,096)
Decrease (increase) in other current assets		(112,430)	(89,658)	3,390,975
Increase (decrease) in accounts payable and accrued expenses		(841,070)	1,100,157	(537,014)
Cash generated from (used in) operations		(2,884,690)	(1,003,549)	303,865
Cash paid for final taxes	13	(440,954)	(443,285)	(213,307)
Net Cash From (Used) in Operating Activities		(3,325,644)	(1,446,834)	90,558
CASH FLOWS FROM AN INVESTING ACTIVITY				
Interest received	7	<u>2,204,769</u>	<u>2,216,426</u>	<u>1,066,520</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment from (advances to) a stockholder - net	10	480,000	542,816	(727,816)
Proceeds from issuance of shares - net	11	-	-	149,000,000
Net Cash From Financing Activities		<u>480,000</u>	<u>542,816</u>	<u>148,272,184</u>
NET INCREASE (DECREASE) IN CASH		(640,875)	1,312,408	149,429,262
CASH AT BEGINNING OF YEAR		<u>237,494,282</u>	<u>236,181,874</u>	<u>86,752,612</u>
CASH AT END OF YEAR		P 236,853,407	P 237,494,282	P 236,181,874

See Notes to Financial Statements.

LODESTAR INVESTMENT HOLDINGS CORPORATION
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2019 and 2018
(With Comparative Figures for 2017)
(Amounts in Philippine Pesos)

1. CORPORATE MATTERS

1.1 Corporate Information

Lodestar Investment Holdings Corporation (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on January 3, 1974. Its shares are listed for trading at the Philippine Stock Exchange (PSE). The Company's primary purpose is to engage in investment activities as an investment holdings company. However, it has no commercial operations at present (see Note 1.2).

The Company's principal place of business is located at 7th Floor, Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Wack Wack Greenhills East, Mandaluyong City.

1.2 Status of Operations

As indicated in Note 1.1, the Company remains dormant; hence, it continues to incur losses. It incurred net losses of P167,375 in 2019, P240,907 in 2018 and P1,696,883 in 2017, which further increased its deficit to P125,200,532 and P125,033,157 as at December 31, 2019 and 2018, respectively. This condition indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. In response to this matter, the Company has implemented the following as part of its capital raising plans: (1) issuance of its remaining unissued shares amounting to P26.0 million in October 2016; (2) increasing its authorized capital stock, which was approved by the SEC on June 14, 2017 (see Note 11); and, (3) issuance of P200.0 million shares of stock to a new investor in 2017 (see Note 11). These provided the Company working capital and available funds to invest or acquire at least a significant stake or ownership interest on businesses. Accordingly, the financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

1.3 Approval of Financial Statements

The financial statements of the Company as at and for the year ended December 31, 2019 and 2018 (including the comparative financial statements as at December 31, 2017) were authorized for issue by the Company's Board of Directors (BOD) on June 9, 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). PFRS are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Financial Statements

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Company presents all items of income, expenses and other comprehensive income in a single statement of comprehensive income.

The Company presents a third statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

(c) Functional and Presentation Currency

These financial statements are presented in Philippine pesos, the Company's functional and presentation currency, and all values represent absolute amounts, except when otherwise indicated.

Items included in the financial statements of the Company are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

2.2 Adoption of New and Amended PFRS

(a) Effective in 2019 that are Relevant to the Company

The Company adopted for the first time the following amendments and interpretation, which are mandatorily effective for annual periods beginning on or after January 1, 2019:

PFRS 9 (Amendments) : Financial Instruments – Prepayment Features with Negative Compensation
International Financial Reporting Interpretations Committee (IFRIC) 23 : Uncertainty over Income Tax Treatments

Following are the relevant information about these amendments and interpretation:

- (i) PFRS 9 (Amendments), *Financial Instruments – Prepayment Features with Negative Compensation*. The amendments clarify that prepayment features with negative compensation attached to financial assets may still qualify under the “solely payments of principal and interests” (SPPI) test. As such, the financial assets containing prepayment features with negative compensation may still be classified at amortized cost or at fair value through other comprehensive income (FVOCI). The application of these amendments had no significant impact on the Company’s financial statements since it does not have any prepayment features with negative compensation attached to financial assets.
- (ii) IFRIC 23, *Uncertainty over Income Tax Treatments*. This interpretation provides clarification on the determination of taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates when there is uncertainty over income tax treatments. The core principle of the interpretation requires the Company to consider the probability of the tax treatment being accepted by the taxation authority. When it is probable that the tax treatment will be accepted, the determination of the taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates shall be on the basis of the accepted tax treatment. Otherwise, the Company has to use the most likely amount or the expected value, depending on the surrounding circumstances, in determining the tax accounts identified immediately above. The application of this interpretation has no significant impact on the Company’s financial statements because based on management assessment the Company has no transaction subject to uncertainty over income tax treatment.

(b) *Effective in 2019 that are not Relevant to the Company*

The following new PFRS, amendments and annual improvements to existing standards are mandatorily effective for annual periods beginning on or after January 1, 2019 but are not relevant to the Company's financial statements:

PAS 19 (Amendments)	:	Employee Benefits – Plan Amendment, Curtailment or Settlement
PAS 28 (Amendments)	:	Investment in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures
PFRS 16 Annual Improvements to PFRS (2015-2017 Cycle)	:	Leases
PAS 12 (Amendments)	:	Income Taxes – Tax Consequences of Dividends
PAS 23 (Amendments)	:	Borrowing Costs – Eligibility for Capitalization
PFRS 3 and PFRS 11 (Amendments)	:	Business Combinations and Joint Arrangements – Remeasurements of Previously Held Interest in a Joint Venture

(c) *Effective Subsequent to 2019 but are not Adopted Early*

There are amendments to existing standards effective for annual periods subsequent to 2019, which are adopted by the FRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the Company's financial statements.

- (i) PAS 1 (Amendments), *Presentation of Financial Statements* and PAS 8 (Amendments), *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material* (effective from January 1, 2020). The amendments provide a clearer definition of 'material' in PAS 1 by including the concept of 'obscuring' material information with immaterial information as part of the new definition, and clarifying the assessment threshold (i.e., misstatement of information is material if it could reasonably be expected to influence decisions made by primary users, which consider the characteristic of those users as well as the entity's own circumstances). The definition of material in PAS 8 has been accordingly replaced by reference to the new definition in PAS 1. In addition, amendment has also been made in other Standards that contain definition of material or refer to the term 'material' to ensure consistency.

- (ii) Revised Conceptual Framework for Financial Reporting (effective from January 1, 2020). The revised conceptual framework will be used in standard-setting decisions with immediate effect. Key changes include (a) increasing the prominence of stewardship in the objective of financial reporting, (b) reinstating prudence as a component of neutrality, (c) defining a reporting entity, which may be a legal entity, or a portion of an entity, (d) revising the definitions of an asset and a liability, (e) removing the probability threshold for recognition and adding guidance on derecognition, (f) adding guidance on different measurement basis, and, (g) stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

2.3 Financial Assets

Financial assets are recognized when the Company becomes a party to the contractual terms of the financial instrument. For purposes of classifying financial assets, an instrument is considered as an equity instrument if it is non-derivative and meets the definition of equity for the issuer in accordance with the criteria of PAS 32, *Financial Instruments: Presentation*. All other non-derivative financial instruments are treated as debt instruments.

(a) Classification, Measurement and Reclassification of Financial Assets

Financial assets other than those designated and effective as hedging instruments are classified into the following categories: financial assets at amortized cost, financial assets at FVOCI, and financial assets at fair value through profit or loss (FVTPL). Under PFRS 9, the classification and measurement of financial assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The classification and measurement of the Company's financial assets are described as follows.

Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the Company's business model whose objective is to hold financial assets in order to collect contractual cash flows ("hold to collect"); and,
- the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All of the Company's financial assets meet these criteria and are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less any impairment in value.

The Company's financial assets at amortized cost is presented in the statements of financial position as Cash and Advances to a Stockholder. Cash includes demand deposits maintained in local banks that is unrestricted, readily available for use in the Company's operations and generally earning interest based on daily bank deposit rates.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets except for those that are subsequently identified as credit-impaired. For credit-impaired financial assets at amortized cost, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance). The interest earned is recognized on the statements of comprehensive income as Finance Income.

The Company can only reclassify financial assets if the objective of its business model for managing those financial assets changes. Accordingly, the Company is required to reclassify financial assets: (i) from amortized cost to FVTPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and, (ii) from FVTPL to amortized cost, if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

A change in the objective of the Company's business model will take effect only at the beginning of the next reporting period following the change in the business model.

(b) *Impairment of Financial Assets*

The Company assesses its expected credit losses (ECL) on a forward-looking basis associated with its financial assets carried at amortized cost. The Company considers a broader range of information in assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets.

The Company applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for financial assets at amortized cost. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Company uses its historical experience, external indicators and forward-looking information using a provision matrix.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

(c) *Derecognition of Financial Assets*

The financial assets (or where applicable, a part of a financial asset or part of a group of financial assets) are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

2.4 Other Current Assets

Other current assets pertain to other resources controlled by the Company as a result of past events. They are recognized in the financial statements when it is probable that the future economic benefits will flow to the Company and the asset has a cost or value that can be measured reliably.

Other recognized assets of similar nature, where future economic benefits are expected to flow to the Company beyond one year after the end of the reporting period or in the normal operating cycle of the business, if longer, are classified as noncurrent assets.

2.5 Financial Liabilities

Financial liabilities, which include accounts payable and accrued expenses (except for tax-related liabilities), are recognized when the Company becomes a party to the contractual terms of the instrument.

Accounts payable and accrued expenses are recognized initially at their fair value and subsequently measured at amortized cost, using effective interest method for those with maturities beyond one year, less settlement payments.

Financial liabilities are classified as current liabilities if payment is due to be settled within one year or less after the end of the reporting period (or in the normal operating cycle of the business, if longer), or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Otherwise, these are presented as non-current liabilities. Financial liabilities are derecognized from the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

2.6 Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the resulting net amount, considered as a single financial asset or financial liability, is reported in the statement of financial position when the Company currently has legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and, must be legally enforceable for both entity and all counterparties to the financial instruments.

2.7 Provisions and Contingencies

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. When time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessments and the risks specific to the obligation. The increase in the provisions due to the passage of time is recognized as interest expense. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements. On the other hand, any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

2.8 Revenue and Expenses Recognition

Revenue is recognized only when (or as) the Company satisfies a performance obligation by transferring control of the promised goods or services to a customer. The transfer of control can occur over time or at a point in time. Currently, the Company's only source of income is interest income from its cash deposits which is within the scope of PFRS 9 [see Note 2.3(a)].

Expenses are recognized in profit or loss upon utilization of goods and/or services, or at the date they are incurred.

2.9 Income Taxes

Tax expense recognized in profit or loss comprises the sum of current tax and deferred tax not recognized in other comprehensive income or directly in equity, if any.

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of the reporting period. They are calculated using the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in profit or loss.

Deferred tax is accounted for using the liability method, on temporary differences at the end of the reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Under the liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carry forward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will be available to allow such deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled provided such tax rates have been enacted or substantively enacted at the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

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

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and the deferred taxes related the same taxation authority.

2.10 Related Party Relationships and Transactions

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These parties include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; and, (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

For purposes of reporting to the SEC in accordance with SEC Memorandum Circular No. 10-2019, *Rules on Material Related Party Transaction for Publicly-Listed Companies*, transaction amounting to ten percent (10%) or more of the total assets that were entered into with related parties are considered material. All individual material related party transactions shall be approved by at least two-thirds vote of the board of directors, with at least a majority of the independent directors voting to approve the material related party transactions. In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock. For aggregate related party transactions within a 12-month period that breaches the materiality threshold of ten percent (10%) of the Company's total assets, the same board approval would be required for the transaction(s) that meets and exceeds the materiality threshold covering the same related party.

2.11 Equity

Capital stock represents the nominal value of shares that have been issued.

Additional paid-in capital (APIC) represents any premiums received on the issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from APIC, net of any related income tax benefits.

Deposit for future stock subscription represents the amount of money received from stockholders as deposit for subscription to a proposed increase in authorized capital stock that is pending approval by SEC. Based on the requirements of the SEC, the Company recognizes a deposit for future stock subscription as part of equity if all of the following criteria are met as at the end of the reporting period:

- (a) Lack or insufficiency of authorized unissued shares of stock to cover for the deposit;
- (b) Approval by the BOD and stockholders for the increase in authorized capital stock to cover the shares corresponding to the amount of the deposit; and,
- (c) Application for the approval of the increase in authorized capital stock has been filed with the SEC.

If any of the foregoing criteria is not met at the end of the reporting period, the deposit for future stock subscription is recognized as a liability.

Deficit represents all current and prior period results of operations as disclosed in the profit or loss section of the statement of comprehensive income.

2.12 Loss Per Share

Loss per share is determined by dividing net loss by the weighted average number of common shares issued and outstanding during the year. Diluted loss per share is not presented because the Company has no potential dilutive common shares.

2.13 Events After the End of the Reporting Period

Any post-year-end event that provides additional information about the Company's financial position at the end of the reporting period (adjusting event) is reflected in the financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when material in the notes to financial statements.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's financial statements in accordance with PFRS requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgment in Applying Accounting Policies

In the process of applying the Company's accounting policies, management has made judgment, apart from those involving estimation. Among those judgments, recognition of provisions and contingencies has the most significant effect on the amount recognized in the financial statements. This judgment is exercised by management to distinguish between provisions and contingencies.

(a) Determination of ECL on Advances to a stockholder

ECL for advances was assessed by the management to have a low probability of default since it is from a stockholder and can be required to pay if the Company needs funds.

(b) Recognition of Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition of provisions and contingencies are discussed in Note 2.7 and disclosures on relevant provisions and contingencies are presented in Note 14.

(c) Going Concern Assumption

When preparing financial statements, the management shall make an assessment of the Company's ability to continue as a going concern. An entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. When management is aware in making its assessment of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, the entity shall disclose those uncertainties. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period. The degree of consideration depends on the facts in each case. Management may need to consider a wide range of factors relating to current and expected profitability and potential sources of financing before it can satisfy itself that the going concern basis is appropriate.

As at December 31, 2019, management believes that the Company will continue as a going concern, as disclosed in Note 1.2.

3.2 Key Source of Estimation Uncertainty

The only key assumption concerning the future and other key source of estimation uncertainty at the end of the reporting period that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period relates to the determination of realizable amount of deferred tax assets.

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

As at December 31, 2019 and 2018, the Company did not recognize any deferred tax asset as the Company is not expected to have sufficient taxable profits against which it can be applied before the validity periods of the related temporary differences expire (see Note 13).

4. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company has not yet started commercial operations as of December 31, 2019 and is not exposed to significant financial risk, except for credit risk of its cash in bank and advances to a stockholder, and liquidity risk related to its accounts payable. The maximum credit risk exposure of the Company as of December 31, 2019 and 2018 amounted to P238,415,483 and P239,536,358, respectively, representing cash and advances to a stockholder. For cash, management believes that the credit risk is negligible because the counterparty is a reputable bank.

The Company's financial liabilities amounting to P1,261,258 and P2,103,674 as of December 31, 2019 and 2018, respectively, are expected to be settled within six months from the end of the reporting period.

5. CATEGORIES AND FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

5.1 Carrying Amounts and Fair Values by Category

The Company has no financial instruments carried at fair value. For its financial assets and financial liabilities as of December 31, 2019 and 2018 that are carried at amortized cost, management has determined that their carrying amounts approximate or equal their fair values due to their short-term nature. Accordingly, a comparison of their carrying values and fair values is no longer presented.

See Notes 2.3 and 2.5 for a description of the accounting policies for each category of financial instruments. A description of the Company's risk management objectives and policies for financial instruments is provided in Note 4.

5.2 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset and liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

5.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

As disclosed in Note 5.1, the carrying values of the Company's financial instruments carried at amortized cost approximate or equal their fair values, accordingly, no further analysis of fair value in the hierarchy is presented. Nevertheless, among them, only cash is considered Level 1; all the rest are determined to be Level 3 in the fair value hierarchy (see Note 5.2).

6. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Company's capital management objective is to ensure the Company's ability to continue as a going concern. Currently, because of the status of the Company's operations (see Note 1.2), management is doing everything it can to ensure that its deficit does not exceed capital stock and other components of equity. It is currently building up its capital to prepare the Company for its investment and operational plans.

The Company monitors capital on the basis of the carrying amount of equity as presented in the statements of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares.

The Company's debt-to-equity ratio at December 31, 2019 and 2018 is presented below.

	2019	2018
Total liabilities	<u>P 1,307,306</u>	<u>P 2,148,376</u>
Total equity	<u>240,514,326</u>	<u>240,681,701</u>
Debt-to-equity ratio	<u>0.005: 1.00</u>	<u>0.009: 1.00</u>

7. CASH

As of December 31, 2019 and 2018, cash in banks, which generally earn interest based on daily bank deposit rates. Effective annual interest earned from cash in bank range from 0.25% to 0.50% both in 2019 and 2018. Interest income earned from cash in banks amounted to P2,204,769 in 2019, P2,216,426 in 2018 and 1,066,520 in 2017 are presented as Finance Income in the statements of comprehensive income.

8. OTHER CURRENT ASSETS

This account is composed of the following:

	<u>Note</u>	2019	2018
Input value-added tax (VAT)	17(b)	P 3,282,753	P 3,185,632
Advances to contractor		1,108,560	1,108,560
Deferred input tax		48,162	60,000
Others		<u>75,234</u>	<u>48,087</u>
		4,514,709	4,402,279
Allowance for impairment loss		(1,108,560)	(1,108,560)
		<u>P 3,406,149</u>	<u>P 3,293,719</u>

Deferred input tax represents input tax on professional fee accrued and to be realized within 12 months from end of reporting period.

The Company's other current assets have been reviewed for indicators of impairment. There were no additional impairment losses recognized in 2019, 2018 and 2017.

9. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

This account is composed of the following:

	<u>Note</u>	2019	2018
Accrued expenses		P 1,261,258	P 2,103,674
Others		<u>46,048</u>	<u>44,702</u>
	10.2	<u>P 1,307,306</u>	<u>P 2,148,376</u>

Accrued expenses mainly comprise legal and professional fees.

10. RELATED PARTY TRANSACTIONS

The Company's related party includes its stockholders, key management personnel and others as described in Note 2.10. Its transactions with its related parties is presented below.

10.1 Advances to a Stockholder

The Company provided noninterest-bearing advances to a stockholder. The advances to a stockholder are unsecured and are due and collectible upon demand. These advances are generally settled in cash.

The movements in the balance of advances to a stockholder, shown as Advances to a Stockholder in the statements of financial position, as at December 31, 2019 and 2018 are as follows:

	2019	2018
Balance at beginning of year	P 2,042,076	P 2,584,892
Collections	(480,000)	(542,816)
Balance at end of year	<u>P 1,562,076</u>	<u>P 2,042,076</u>

Based on management's assessment, the outstanding balance of the Company's advances to a stockholder is not impaired as at December 31, 2019 and 2018; hence, no impairment loss was recognized in those years.

10.2 Legal Services

Legal services rendered to the Company by certain officers of the Company amounting to P875,000 in 2019 and also in 2018, and 840,000 in 2017 are presented as Legal Fees in the statements of comprehensive income. Total outstanding balances related to these transactions amount to P788,500 and P1,356,924 as at December 31, 2019 and 2018, respectively, and are presented as Accounts Payable and Accrued Expenses in the statements of financial position (see Note 9). The outstanding balance is unsecured, noninterest-bearing and payable in cash.

10.3 Use of Related Party's Office Space

The Company is allowed by a related party under common ownership to use its office space at no cost to the Company.

10.4 Key Management Personnel Compensation

Management of the Company is handled by employees of a related party under common ownership at no cost to the Company.

11. EQUITY

The Company's authorized capital stock is P300.0 million divided into 3.0 billion shares at P0.10 par value per share which have been fully issued and outstanding as at December 31, 2019 and 2018.

On May 26, 1989 and October 19, 2010, the SEC approved the listing of the Company's 50.0 million shares and 14.0 million shares, respectively, in the PSE (see Note 1). On September 14, 2010 and October 19, 2010, the 50.0 million shares and 14.0 million shares were increased to 500.0 million shares and 140.0 million shares, respectively, totaling to 640.0 million shares due to the reduction in the par value from P1.0 to P0.10 per share. Other than this, it has no other securities listed in the exchange. As at December 31, 2019, 24.67% of the issued and outstanding shares are held by the public. The Company's shares closed at P0.50 per share on December 27, 2019. It has no other securities traded in the securities exchange.

In a special meeting of the BOD held on November 6, 2009, the BOD approved the following:

- (i) Proposed reduction in the par value of the shares of stock of the Company from P1.00 to P0.10 per share, resulting in a stock split of 10 shares for every one share issued and an increase in the number of authorized capital stock from 100.0 million shares to 1.0 billion shares. A share buy-back program was also adopted, which will depend on the Company's retained earnings and the market price of the Company's shares under such terms and conditions to be determined and set by the BOD.
- (ii) Proposed increase in the authorized capital stock of the Company from P100.0 million divided into 100.0 million shares at P1.00 par value per share to P300.0 million divided into 3.0 billion shares at P0.10 par value per share.
- (iii) Issuance of shares of stock from the proposed capital increase through pre-emptive stock rights offering. The pre-emptive stock rights offering shall be implemented on a 1:1 proportion, i.e., one share held by qualified stockholders entitled the said stockholders to subscribe to one share under the offering. The stock rights offer price shall be at par of P0.10, representing the reduced par value of the shares at the expected time of the stock rights offering, or at P1.00 if the stock rights offering happens at the time prior to the reduction in the par value of the shares.

The foregoing proposed transactions were approved by the Company's stockholders in their annual meeting on December 17, 2009.

On September 14, 2010, the SEC approved the reduction in the par value of the shares of stock of the Company from P1.00 to P0.10, making the authorized capital stock P100.0 million divided into 1.0 billion shares.

On October 25, 2016, the BOD authorized the execution, delivery and implementation of the following Subscription Agreements:

- (i) Subscription to 260.0 million unissued shares by an investor at the subscription price of P0.10 per share or P26.0 million. The subscribed shares were issued out of the Company's remaining authorized capital stock on November 10, 2016, the date of subscription.
- (ii) Subscription to the 2.0 billion proposed increase in authorized capital stock at the subscription price of P0.10 per share or P200.0 million by a new investor.

On December 8, 2016, during the annual stockholders' meeting of the Company, the stockholders confirmed, ratified and re-adopted the 2009 stockholders' approval of the increase in the authorized capital stock of the Company. On the resolution passed on December 17, 2009 during the annual meeting of stockholders, the stockholders approved the proposed increase in authorized capital stock from P100.0 million divided into 100.0 million shares at a par value of P1 per share to P300.0 million divided into 3.0 billion shares at the reduced par value of P0.10 per share without stockholders' pre-emptive right. The net increase of P200.0 million has been fully subscribed in 2016 and a P50.0 million payment was received. This was treated in the 2016 financial statements as deposit for future stock subscription pending approval by the SEC of the increase in authorized capital stock. The proposed increase in capital stock was approved by the SEC on June 14, 2017, after which the balance of the subscription was paid in full.

12. LOSS PER SHARE

Loss per share is computed as follows:

	2019	2018	2017
Net loss	P 167,375	P 240,907	P 1,696,883
Weighted average number of outstanding common shares	<u>3,000,000,000</u>	<u>3,000,000,000</u>	<u>2,500,000,000</u>
Loss per share	<u>P 0.0001</u>	<u>P 0.0001</u>	<u>P 0.0007</u>

The Company has no potentially dilutive instruments; thus, basic and dilutive loss per share are the same.

13. INCOME TAXES

The tax expense reported in profit or loss pertains to the 20% final tax of P440,954 in 2019, P443,285 in 2018 and P213,307 in 2017.

A reconciliation of tax on pretax profit (loss) computed at the applicable statutory rates to tax expense reported in the statements of comprehensive income is presented below.

	2019	2018	2017
Tax on pretax profit (loss) at 30%	P 82,073	P 60,713	(P 445,073)
Adjustment for income subjected to lower tax rate	(220,477)	(221,643)	(106,649)
Tax effects of:			
Unrecognized deferred taxes	571,597	596,436	1,050,387
Non-deductible expenses	7,761	7,779	14,642
Deductible stock issuance cost	-	-	(300,000)
Tax expense	<u>P 440,954</u>	<u>P 443,285</u>	<u>P 213,307</u>

The Company is subject to minimum corporate income tax (MCIT) which is computed at 2% of gross income, as defined under tax regulations, or regular corporate income tax (RCIT), whichever is higher. No MCIT was reported in 2019 and 2018 since the Company is in a gross loss position in those years.

The Company has incurred net operating loss carryover (NOLCO) in 2019 and in the previous years. The breakdown of NOLCO, which can be claimed as deduction from future taxable income within three years from the year the taxable loss was incurred, is shown below.

Year Incurred	Original Amount	Expired Balance	Remaining Balance	Valid Until
2019	P 1,905,319	P -	P 1,905,319	2022
2018	1,988,119	-	1,988,119	2021
2017	3,501,290	-	3,501,290	2020
2016	2,120,165	2,120,165	-	
	P 9,514,893	P 2,120,165	P 7,394,728	

The Company did not recognize any deferred tax asset on its NOLCO and allowance for impairment on receivables as at December 31, 2019 and 2018 because management does not expect the Company to have sufficient taxable profit against which the deferred tax assets can be utilized prior to lapse of their validity period. The unrecognized deferred tax assets related to NOLCO and allowance for impairment as at December 31, 2019 and 2018 amount to P2,550,986 and P2,615,440, respectively.

In 2019, 2018 and 2017 the Company opted to continue claiming itemized deductions for income tax purposes.

14. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Company makes various commitments and incurs certain contingent liabilities that are not given recognition in the financial statements. As at December 31, 2019 and 2018, management believes that losses, if any, that may arise from these commitments and contingencies will not have any material effect on the financial statements.

15. EVENT AFTER THE END OF THE REPORTING PERIOD

In December 2019, a novel strain of corona virus (COVID-19) was reported to have surfaced in China. The World Health Organization has declared the outbreak as a ‘public health emergency of international concern.’ COVID-19 started to become widespread in the Philippines in early March 2020 causing the government to declare the country in a state of public health emergency followed by implementation of enhanced quarantine and social distancing measures and restrictions within the Luzon area with other cities and provinces in the country enacting similar measures thereafter. This resulted in a wide-ranging business interruption such as disrupting supply chains and affecting production and sales across a range of industries.

The Company has determined that these events are non-adjusting subsequent events. Accordingly, such events had no effect on the Company's financial statements as of and for the year ended December 31, 2019.

The management is aware that the impact of COVID-19 could further delay the Company's plan to look for viable investment opportunities wherein the Company could invest or acquire at least a significant stake or ownership interest in businesses. The severity of these consequences will depend on certain developments, duration and spread of the outbreak, and impact on the businesses. Accordingly, management is unable to reliably estimate yet as at the issuance date of the financial statements the impact of COVID-19 and consequent events on the Company's financial position and operations in succeeding periods.

16. OTHER INFORMATION REQUIRED BY THE SECURITIES AND EXCHANGE COMMISSION

Republic Act No. 11232, *An Act Providing for the Revised Corporation Code of the Philippines* (the Revised Corporation Code) took effect on March 8, 2019. The new provisions of the Revised Corporation Code or any amendments thereof have no significant impact to the Company's financial statements.

17. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

Following is the supplementary information on taxes, duties and license fees paid or accrued during the taxable year which is required under Revenue Regulations No. 15-2010 of the Bureau of Internal Revenue (BIR) to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

(a) Output VAT

In 2019, the Company had no revenues earned subject to output VAT.

(b) Input VAT

The movements in input VAT is summarized below.

Balance at beginning of year	P 3,185,632
Purchase of services	96,359
Domestic purchases of goods other than capital goods	<u>762</u>
Balance at end of year	<u>P 3,282,753</u>

The balance of input VAT is presented as Input VAT under the Other Current Assets account in the 2019 statement of financial position (see Note 8).

(c) *Taxes on Importation*

The Company did not incur or pay any customs duties and tariff fees as it did not have any importation in 2019.

(d) *Excise Tax*

The Company did not have any transaction in 2019 which is subject to excise tax.

(e) *Documentary Stamp Tax (DST)*

The Company did not have any transaction in 2019 which is subject to DST.

(f) *Withholding Taxes*

Expanded withholding taxes amounted to P46,046 for the year ended December 31, 2019. No other withholding taxes was recognized by the Company in 2019.

(g) *Taxes and Licenses*

Details of taxes and licenses for the year ended December 31, 2019 is presented under Expenses in the 2019 statement of comprehensive income follow:

Municipal licenses and permits	P	12,826
Fire inspection fee		913
Community tax		500
Annual registration fee		500
	<hr/>	<hr/>
	P	14,739

(h) *Deficiency Tax Assessment and Tax Cases*

As at December 31, 2019, the Company does not have any final deficiency tax assessments with the BIR nor does it have tax cases outstanding or pending in courts or bodies outside of the BIR in any of the open years.



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Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Financial Statements

**The Board of Directors
Lodestar Investment Holdings Corporation
7th Floor, Peaksun Bldg., 1505 Princeton St.
corner Shaw Blvd., Wack Wack Greenhills East
Mandaluyong City**

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of Lodestar Investment Holdings Corporation for the year ended December 31, 2019, on which we have rendered our report dated June 9, 2020. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of Revised Securities Regulation Code Rule 68, and is not a required part of the basic financial statements prepared in accordance with Philippine Financial Reporting Standards. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PUNONGBAYAN & ARAULLO

By:
Christopher M. Perarezza
Partner

CPA Reg. No. 0097462
TIN 184-595-975
PTR No. B118545, January 2, 2020, Makati City
SEC Group A Accreditation
Partner - No. 1185-AR-2 (until May 8, 2021)
Firm - No. 0002-FR-5 (until Mar. 26, 2021)
BIR AN 08-002511-34-2017 (until Jun. 19, 2020)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

June 9, 2020

Certified Public Accountants
Punongbayan & Araullo (P&A) is the Philippine member firm of Grant Thornton International Ltd

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Lodestar Investment Holdings Corporation
List of Supplementary Information
December 31, 2019

Schedule	Content	Page No.
Schedules Required under Annex 68-E of the Securities Regulation Code Rule 68		
A	Financial Assets	
	Financial Assets at Fair Value Through Profit or Loss	1
	Held-to-maturity Investments	1
	Available-for-sale Financial Assets	1
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)	2
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	3
D	Intangible Assets - Other Assets	4
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G	Guarantees of Securities of Other Issuers	7
H	Capital Stock	8
Others Required Information		
	Reconciliation of Retained Earnings Available for Dividend Declaration as at December 31, 2019	9
	Map Showing the Relationship Between the Company and its Related Entities	10
	Supplemental Schedule of Financial Soundness Indicators	11

Lodestar Investment Holdings Corporation
Schedule A - Financial Assets
December 31, 2019

<i>Name of Issuing Entity and Description of Investment</i>	<i>Amount shown in the Statement of Financial Position</i>	<i>Value based on market quotation at end of reporting period (per share)</i>	<i>Income received and accrued</i>
			Not applicable

Lodestar Investment Holdings Corporation

Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
December 31, 2019

<i>Name and Designation of Debtor</i>	<i>Balance at Beginning of Year</i>	<i>Additions</i>	<i>Deductions</i>		<i>Ending Balance</i>		<i>Balance at End of Year</i>
			<i>Amounts Collected</i>	<i>Amounts Written-off</i>	<i>Current</i>	<i>Non - Current</i>	

Lodestar Investment Holdings Corporation

Schedule C - Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
December 31, 2019

<i>Name of Related Party</i>	<i>Balance at Beginning of Period</i>	<i>Additions</i>	<i>Amount collected</i>	<i>Amounts written off</i>	<i>Current</i>	<i>Non-current</i>	<i>Balance at end of period</i>
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Not applicable

Lodestar Investment Holdings Corporation
Schedule D - Intangible Assets - Other Assets
December 31, 2019

<i>Description</i>	<i>Beginning Balance</i>	<i>Additions at costs</i>	<i>Charged to Cost and Expenses</i>	<i>Charged to Other Accounts</i>	<i>Other Changes Additions (Deductions)</i>	<i>Ending Balance</i>

Not applicable

Lodestar Investment Holdings Corporation
Schedule E - Long-term Debt
December 31, 2019

<i>Title of Issue and Type of Obligation</i>	<i>Amount Authorized by Indenture</i>	<i>Amount Shown Under Caption "Current Portion of Long-term Debt" in related Statement of Financial Position</i>	<i>Amount Shown Under Caption "Long-term Debt" in related Statement of Financial Position</i>

Not applicable

Lodestar Investment Holdings Corporation
Schedule F - Indebtedness to Related Parties (Long-term Loans from Related Companies)
December 31, 2019

<i>Name of Related Party</i>	<i>Balance at Beginning of Year</i>	<i>Balance at End of Year</i>

Not applicable

Lodestar Investment Holdings Corporation
Schedule G - Guarantees of Securities of Other Issuers
December 31, 2019

<i>Name of Issuing Entity of Securities Guaranteed by the Company for which This Statement is Filed</i>	<i>Title of Issue of Each Class of Securities Guaranteed</i>	<i>Total Amount Guaranteed and Outstanding</i>	<i>Amount Owned by Person for which This Statement is Filed</i>	<i>Nature of Guarantee</i>

Not applicable

Lodestar Investment Holdings Corporation
Schedule H - Capital Stock
December 31, 2019

<i>Title of Issue</i>	<i>Number of Shares Authorized</i>	<i>Number of Shares Issued and Outstanding as Shown Under Related Financial Condition Caption</i>	<i>Number of Shares Reserved for Options, Warrants, Conversion and Other Rights</i>	<i>Number of Shares Held by</i>		
				<i>Related Parties</i>	<i>Directors, Officers and Employees</i>	<i>Others</i>
Common shares	3,000,000,000	3,000,000,000	-	56,000	2,999,944,000	

Lodestar Investment Holdings Corporation
7th Floor, Peaksun Bldg., 1505 Princeton St. corner Shaw Blvd.
Wack Wack Greenhills East, Mandaluyong City

Reconciliation of Retained Earnings Available for Dividend Declaration
December 31, 2019

The Company has a deficit as at December 31, 2019. Presented below is an analysis of the deficit for purposes of this reconciliation requirement.

DEFICIT AT BEGINNING OF YEAR	P	125,033,157
Net loss for the year		<u>167,375</u>
DEFICIT AT END OF YEAR	P	<u>125,200,532</u>

LODESTAR INVESTMENT HOLDINGS CORPORATION
Map Showing the Relationship Between the Company and its Related Entities
December 31, 2019

Not applicable



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Report of Independent Auditors on Components of Financial Soundness Indicators

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The Board of Directors
Lodestar Investment Holdings Corporation
7th Floor, Peaksun Bldg., 1505 Princeton St.
corner Shaw Blvd., Wack Wack Greenhills East
Mandaluyong City

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of Lodestar Investment Holdings Corporation (the Company) as at December 31, 2019 and 2018 and for the years then ended, on which we have rendered our report dated June 9, 2020. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2019 and 2018 and for the years then ended and no material exceptions were noted.

PUNONGBAYAN & ARAULLO

By: Christopher M. Ferarezza
Partner

CPA Reg. No. 0097462
TIN 184-595-975
PTR No. 8116545, January 2, 2020, Makati City,
SEC Group A Accreditation
Partner - No. 1185-AR-2 (until May 9, 2021)
Firm - No. 0002-FR-5 (until Mar. 26, 2021) -
BIR AN 08-002511-34-2017 (until Jun. 19, 2020),
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

June 9, 2020

LODESTAR INVESTMENT HOLDINGS CORPORATION
Supplemental Schedule of Financial Soundness Indicators
December 31, 2019

	2019	2018	2019	2018
a.) Current Ratio				
	<u>Current Assets</u>	<u>P</u>	<u>241,821,632</u>	<u>P</u>
	<u>Current Liabilities</u>	<u>1,307,306</u>	<u>242,830,077</u>	<u>184.98</u>
b.) Acid test Ratio				
	<u>Cash</u>	<u>236,853,407</u>	<u>237,494,282</u>	<u>181.18</u>
	<u>Current Liabilities</u>	<u>1,307,306</u>	<u>2,148,376</u>	<u>110.55</u>
c.) Solvency Ratio				
	<u>Current Liabilities</u>	<u>1,307,306</u>	<u>2,148,376</u>	<u>0.01</u>
	<u>Total Assets</u>	<u>241,821,632</u>	<u>242,830,077</u>	<u>0.01</u>
d.) Debt-to-equity Ratio				
	<u>Total Liabilities</u>	<u>1,307,306</u>	<u>2,148,376</u>	<u>0.01</u>
	<u>Total Equity</u>	<u>240,514,326</u>	<u>240,681,701</u>	<u>0.01</u>
e.) Asset-to-equity Ratio				
	<u>Total Assets</u>	<u>241,821,632</u>	<u>242,830,077</u>	<u>1.01</u>
	<u>Total Equity</u>	<u>240,514,326</u>	<u>240,681,701</u>	<u>1.01</u>
f.) Interest Rate Coverage Ratio				
	<i>Not applicable. The Company has no borrowings in 2019 and 2018.</i>			
g.) Return on equity				
	<u>Net Loss</u>	<u>(167,375)</u>	<u>(240,907)</u>	<u>0.00</u>
	<u>Average Total Equity</u>	<u>240,598,014</u>	<u>240,802,155</u>	<u>0.00</u>
h.) Return on assets				
	<u>Net Loss</u>	<u>(167,375)</u>	<u>(240,907)</u>	<u>0.00</u>
	<u>Average Total Assets</u>	<u>242,325,858</u>	<u>242,400,452</u>	<u>0.00</u>
i.) Net Profit Margin				
	<i>Not applicable. The Company is in a net loss position in 2019 and 2018 since it has not yet started its commercial operations.</i>			
Other Ratios:				
j.) Book value per share				
	<u>Equity</u>	<u>240,514,326</u>	<u>240,681,701</u>	<u>0.08</u>
	<u>No. of Shares Outstanding</u>	<u>3,000,000,000</u>	<u>3,000,000,000</u>	<u>0.08</u>

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: LODESTAR INVESTMENT HOLDINGS CORPORATION
CURRENT ADDRESS: c/o 7th Floor, Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Wack Wack Greenhills East, Mandaluyong City, Philippines
TEL. NO.: 928-9246 FAX NO.: 928-9246
COMPANY TYPE: Holding Company PSIC: 6694

If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA	2019 (In P'000)	2018 (In P'000)
A. ASSETS (A.1 + A.2 + A.3 + A.4 + A.5 + A.6 + A.7 + A.8 + A.9 + A.10)	241,821.00	242,830.00
A.1 Current Assets (A.1.1 + A.1.2 + A.1.3 + A.1.4 + A.1.5)	241,821.00	242,830.00
A.1.1 Cash and cash equivalents (A.1.1.1 + A.1.1.2 + A.1.1.3)	236,853.00	237,494.00
A.1.1.1 On hand	4.00	4.00
A.1.1.2 In domestic banks/entities	236,849.00	237,490.00
A.1.1.3 In foreign banks/entities		
A.1.2 Trade and Other Receivables (A.1.2.1 + A.1.2.2)		
A.1.2.1 Due from domestic entities (A.1.2.1.1 + A.1.2.1.2 + A.1.2.1.3 + A.1.2.1.4)		
A.1.2.1.1 Due from customers (trade)		
A.1.2.1.2 Due from related parties		
A.1.2.1.3 Others, specify (A.1.2.1.3.1 + A.1.2.1.3.2)		
A.1.2.1.3.1		
A.1.2.1.3.2		
A.1.2.1.4 Allowance for doubtful accounts (negative entry)		
A.1.2.2 Due from foreign entities, specify (A.1.2.2.1 + A.1.2.2.2 + A.1.2.2.3 + A.1.2.2.4)		
A.1.2.2.1		
A.1.2.2.2		
A.1.2.2.3		
A.1.2.2.4 Allowance for doubtful accounts (negative entry)		
A.1.3 Inventories (A.1.3.1 + A.1.3.2 + A.1.3.3 + A.1.3.4 + A.1.3.5 + A.1.3.6)		
A.1.3.1 Raw materials and supplies		
A.1.3.2 Goods in process (including unfinished goods, growing crops, unfinished seeds)		
A.1.3.3 Finished goods		
A.1.3.4 Merchandise/Goods in transit		
A.1.3.5 Unbilled Services (in case of service providers)		
A.1.3.6 Others, specify (A.1.3.6.1 + A.1.3.6.2)		
A.1.3.6.1		
A.1.3.6.2		
A.1.4 Financial Assets other than Cash/Receivables/Equity investments (A.1.4.1 + A.1.4.2 + A.1.4.3 + A.1.4.4 + A.1.4.5 + A.1.4.6)		
A.1.4.1 Financial Assets at Fair Value through Profit or Loss - issued by domestic entities: (A.1.4.1.1 + A.1.4.1.2 + A.1.4.1.3 + A.1.4.1.4 + A.1.4.1.5)		
A.1.4.1.1 National Government		
A.1.4.1.2 Public Financial Institutions		
A.1.4.1.3 Public Non-Financial Institutions		
A.1.4.1.4 Private Financial Institutions		
A.1.4.1.5 Private Non-Financial Institutions		
A.1.4.2 Held to Maturity Investments - issued by domestic entities: (A.1.4.2.1 + A.1.4.2.2 + A.1.4.2.3 + A.1.4.2.4 + A.1.4.2.5)		
A.1.4.2.1 National Government		
A.1.4.2.2 Public Financial Institutions		
A.1.4.2.3 Public Non-Financial Institutions		
A.1.4.2.4 Private Financial Institutions		
A.1.4.2.5 Private Non-Financial Institutions		

NOTE:

This special form is applicable to Investment Companies and Publicly-held Companies (enumerated in Section 17.2 of the Securities Regulation Code (SRC), except banks and insurance companies). As a supplemental form to PHFS, it shall be used for reporting Consolidated Financial Statements of Parent corporations and their subsidiaries.

Domestic corporations are those which are incorporated under Philippine laws or branches/subsidiaries of foreign corporations that are licensed to do business in the Philippines where the center of economic interest or activity is within the Philippines. On the other hand, foreign corporations are those that are incorporated abroad, including branches of Philippine corporations operating abroad.

Financial Institutions are corporations principally engaged in financial intermediation, facilitating financial intermediation, or auxiliary financial services. Non-Financial Institutions refer to corporations that are primarily engaged in the production of market goods and non-financial services.

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: LODESTAR INVESTMENT HOLDINGS CORPORATION
CURRENT ADDRESS: c/o 7th Floor, Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Wack Wack Greenhills East, Mandaluyong City
TEL. NO.: 928-9246 FAX NO.: 928-9246
COMPANY TYPE: Holding Company PSIC: 6694
If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA	2019 (in P'000)	2018 (in P'000)
A.1.4.3 Loans and Receivables - Issued by domestic entities: <u>(A.1.4.3.1 + A.1.4.3.2 + A.1.4.3.3 + A.1.4.3.4 + A.1.4.3.5)</u>		
A.1.4.3.1 National Government		
A.1.4.3.2 Public Financial Institutions		
A.1.4.3.3 Public Non-Financial Institutions		
A.1.4.3.4 Private Financial Institutions		
A.1.4.3.5 Private Non-Financial Institutions		
A.1.4.4 Available-for-sale financial assets - Issued by domestic entities: <u>(A.1.4.4.1 + A.1.4.4.2 + A.1.4.4.3 + A.1.4.4.4 + A.1.4.4.5)</u>		
A.1.4.4.1 National Government		
A.1.4.4.2 Public Financial Institutions		
A.1.4.4.3 Public Non-Financial Institutions		
A.1.4.4.4 Private Financial Institutions		
A.1.4.4.5 Private Non-Financial Institutions		
A.1.4.5 Financial Assets issued by foreign entities: <u>(A.1.4.5.1+A.1.4.5.2+A.1.4.5.3+A.1.4.5.4)</u>		
A.1.4.5.1 Financial Assets at fair value through profit or loss		
A.1.4.5.2 Held-to-maturity investments		
A.1.4.5.3 Loans and Receivables		
A.1.4.5.4 Available-for-sale financial assets		
A.1.4.6 Allowance for decline in market value (negative entry)		
A.1.5 Other Current Assets (state separately material items) <u>(A.1.5.1 + A.1.5.2 + A.1.5.3)</u>	4,968.00	5,336.00
A.1.5.1 Advances to stockholder	1,562.00	2,042.00
A.1.5.2 Others	3,406.00	3,294.00
A.1.5.3		
A.2 Property, plant, and equipment <u>(A.2.1 + A.2.2 + A.2.3 + A.2.4 + A.2.5 + A.2.6 + A.2.7 + A.2.8)</u>	0.00	0.00
A.2.1 Land		
A.2.2 Building and improvements including leasehold improvement		
A.2.3 Machinery and equipment (on hand and in transit)		
A.2.4 Transportation/motor vehicles, automotive equipment, autos and trucks, and delivery equipment		
A.2.5 Others, specify <u>(A.2.5.1 + A.2.5.2 + A.2.5.3 + A.2.5.4 + A.2.5.5)</u>		
A.2.5.1 Property, or equipment used for education purposes		
A.2.5.2 Construction in progress		
A.2.5.3 Office Equipment		71.00
A.2.5.4		
A.2.5.5		
A.2.6 Appraisal increase, specify <u>(A.2.6.1 + A.2.6.2 + A.2.6.3 + A.2.6.4 + A.2.6.5)</u>		
A.2.6.1		
A.2.6.2		
A.2.6.3		
A.2.6.4		
A.2.6.5		
A.2.7 Accumulated Depreciation (negative entry)		-71.00
A.2.8 Impairment Loss or Reversal (if loss, negative entry)		
A.3 Investments accounted for using the equity method <u>(A.3.1 + A.3.2 + A.3.3 + A.3.4)</u>		
A.3.1 Equity in domestic subsidiaries/affiliates		
A.3.2 Equity in foreign branches/subsidiaries/affiliates		
A.3.3 Others, specify <u>(A.3.3.1 + A.3.3.2 + A.3.3.3 + A.3.3.4 + A.3.3.5)</u>		
A.3.3.1		
A.3.3.2		
A.3.3.3		
A.3.3.4		
A.3.3.5		
A.4 Investment Property		
A.5 Biological Assets		
A.6 Intangible Assets		
A.6.1 Major item/s, specify <u>(A.6.1.1 + A.6.1.2)</u>		
A.6.1.1		
A.6.1.2		
A.6.2 Others, specify <u>(A.6.2.1 + A.6.2.2)</u>		
A.6.2.1		
A.6.2.2		
A.7 Assets Classified as Held for Sale		
A.8 Assets included in Disposal Groups Classified as Held for Sale		

SPECIAL FORM FOR CONSOLIDATED FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION:

LODESTAR INVESTMENT HOLDINGS CORPORATION

CURRENT ADDRESS:

c/o 7th Floor, Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Wack Wack Greenhills East, Mandaluyong City

TEL. NO.:

928-9246

FAX NO.: 928-9246

COMPANY TYPE: Holding Company

PSIC: 6594

If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA	2019 (in P'000)	2018 (in P'000)
A.9 Long-term receivables (net of current portion) (A.9.1 + A.9.2 + A.9.3)		
A.9.1 From domestic entities, specify (A.9.1.1 + A.9.1.2 + A.9.1.3)		
A.9.1.1		
A.9.1.2		
A.9.1.3		
A.9.2 From foreign entities, specify (A.9.2.1 + A.9.2.2 + A.9.2.3)		
A.9.2.1		
A.9.2.2		
A.9.2.3		
A.9.3 Allowance for doubtful accounts, net of current portion (negative entry)		
A.10 Other Assets (A.10.1 + A.10.2 + A.10.3 + A.10.4 + A.10.5)	<u>0.00</u>	<u>0.00</u>
A.10.1 Deferred charges - net of amortization		
A.10.2 Deferred Input VAT		
A.10.3 Advance/Miscellaneous deposits		
A.10.4 Others, specify (A.10.4.1 + A.10.4.2 + A.10.4.3 + A.10.4.4 + A.10.4.5)		
A.10.4.1 Deposit for future stock investment	<u>0.00</u>	<u>0.00</u>
A.10.4.2		
A.10.4.3		
A.10.4.4		
A.10.4.5		
A.10.5 Allowance for write-down of deferred charges/bad accounts (negative entry)		
B. LIABILITIES (B.1 + B.2 + B.3 + B.4 + B.5)	<u>1,307.00</u>	<u>2,148.00</u>
B.1 Current Liabilities (B.1.1 + B.1.2 + B.1.3 + B.1.4 + B.1.5 + B.1.6 + B.1.7)	<u>1,307.00</u>	<u>2,148.00</u>
B.1.1 Trade and Other Payables to Domestic Entities (B.1.1.1 + B.1.1.2 + B.1.1.3 + B.1.1.4 + B.1.1.5 + B.1.1.6)	<u>1,307.00</u>	<u>2,148.00</u>
B.1.1.1 Loans/Notes Payables		
B.1.1.2 Trade Payables		
B.1.1.3 Payables to Related Parties		
B.1.1.4 Advances from Directors, Officers, Employees and Principal Stockholders		
B.1.1.5 Accruals, specify material items (B.1.1.5.1 + B.1.1.5.2 + B.1.1.5.3)		
B.1.1.5.1 Accrued Expenses	<u>1,261.00</u>	<u>2,104.00</u>
B.1.1.5.2		
B.1.1.5.3		
B.1.1.6 Others, specify (B.1.1.6.1 + B.1.1.6.2 + B.1.1.6.3)	<u>46.00</u>	<u>44.00</u>
B.1.1.6.1 Advances from Stockholders	<u>0.00</u>	<u>0.00</u>
B.1.1.6.2 Income tax payable	<u>0.00</u>	<u>0.00</u>
B.1.1.6.3 Others	<u>46.00</u>	<u>44.00</u>
B.1.2 Trade and Other Payables to Foreign Entities (specify) (B.1.2.1 + B.1.2.2 + B.1.2.3)		
B.1.2.1		
B.1.2.2		
B.1.2.3		
B.1.3 Provisions		
B.1.4 Financial Liabilities (excluding Trade and Other Payables and Provisions) (B.1.4.1 + B.1.4.2 + B.1.4.3 + B.1.4.4 + B.1.4.5)		
B.1.4.1		
B.1.4.2		
B.1.4.3		
B.1.4.4		
B.1.4.5		
B.1.5 Liabilities for Current Tax		
B.1.6 Deferred Tax Liabilities		
B.1.7 Others, specify (If material, state separately; indicate if the item is payable to public/private or financial/non-financial institutions) (B.1.7.1 + B.1.7.2 + B.1.7.3 + B.1.7.4 + B.1.7.5 + B.1.7.6)		
B.1.7.1 Dividends declared and not paid at balance sheet date		
B.1.7.2 Acceptances Payable		
B.1.7.3 Liabilities under Trust Receipts		
B.1.7.4 Portion of Long-term Debt Due within one year		
B.1.7.5 Deferred Income		
B.1.7.6 Any other current liability in excess of 5% of Total Current Liabilities, specify: B.1.7.6.1		
B.1.7.6.2		
B.1.7.6.3		

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: LODESTAR INVESTMENT HOLDINGS CORPORATION

CURRENT ADDRESS: c/o 7th Floor, Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Wack Wack Greenhills East, Mandaluyong City

TEL. NO.: 928-9246

FAX NO.: 928-9246

COMPANY TYPE: Holding Company

PSIC: 6694

If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA	2019 (in P'000)	2018 (in P'000)
B.2 Long-term Debt - Non-current Interest-bearing Liabilities (B.2.1 + B.2.2 + B.2.3 + B.2.4 + B.2.5)		
B.2.1 Domestic Public Financial Institutions		
B.2.2 Domestic Public Non-Financial Institutions		
B.2.3 Domestic Private Financial Institutions		
B.2.4 Domestic Private Non-Financial Institutions		
B.2.5 Foreign Financial Institutions		
B.3 Indebtedness to Affiliates and Related Parties (Non-Current)		
B.4 Liabilities Included in the Disposal Groups Classified as Held for Sale		
B.5 Other Liabilities (B.5.1 + B.5.2)		
B.5.1 Deferred Tax		
B.5.2 Others, specify (B.5.2.1 + B.5.2.2 + B.5.2.3 + B.5.2.4 + B.5.2.5)		
B.5.2.1		
B.5.2.2		
B.5.2.3		
B.5.2.4		
B.5.2.5		
C. EQUITY (C.3 + C.4 + C.5 + C.6 + C.7 + C.8 + C.9+C.10)	240,514.00	240,682.00
C.1 Authorized Capital Stock (no. of shares, par value and total value; show details) (C.1.1+C.1.2+C.1.3)	1,000,000.00	1,000,000.00
C.1.1 Common shares	1,000,000.00	1,000,000.00
C.1.2 Preferred Shares		
C.1.3 Others		
C.2 Subscribed Capital Stock (no. of shares, par value and total value) (C.2.1 + C.2.2 + C.2.3)		
C.2.1 Common shares		
C.2.2 Preferred Shares		
C.2.3 Others		
C.3 Paid-up Capital Stock (C.3.1 + C.3.2)	300,000.00	300,000.00
C.3.1 Common shares	300,000.00	300,000.00
C.3.2 Preferred Shares		
C.4 Additional Paid-in Capital / Capital in excess of par value / Paid-in Surplus	65,715.00	65,715.00
C.5 Minority Interest		
C.6 Others, specify (C.6.1 + C.6.2 + C.6.3)	0.00	0.00
C.6.1 Revaluation reserve on available-for-sale financial assets		
C.6.2 Deposit for Future Subscription		
C.6.3		
C.7 Appraisal Surplus/Revaluation Increment in Property/Revaluation Surplus		
C.8 Retained Earnings (C.8.1 + C.8.2)	(125,201.00)	(125,033.00)
C.8.1 Appropriated		
C.8.2 Unappropriated	(125,201.00)	(125,033.00)
C.9 Head / Home Office Account (for Foreign Branches only)		
C.10 Cost of Stocks Held in Treasury (negative entry)		
TOTAL LIABILITIES AND EQUITY (B + C)	241,821.00	242,830.00

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION:	LODESTAR INVESTMENT HOLDINGS CORPORATION		
CURRENT ADDRESS:	c/o 7th Floor, Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Wack Wack Greenhills East, M.		
TEL. NO.:	928-9246	FAX NO.:	928-9246
COMPANY TYPE:	Holding Company	PSIC:	6694

If these are based on consolidated financial statements, please so indicate in the caption.

Table 2. Income Statement

FINANCIAL DATA	2019 (in P'000)	2018 (In P'000)
A. REVENUE / INCOME (A.1 + A.2 + A.3)	2,205.00	2,216.00
A.1 Net Sales or Revenue / Receipts from Operations (manufacturing, mining, utilities, trade, services, etc.) (from Primary Activity)		
A.2 Share in the Profit or Loss of Associates and Joint Ventures accounted for		
A.3 Other Revenue (A.3.1 + A.3.2 + A.3.3 + A.3.4 + A.3.5)		
A.3.1 Rental Income from Land and Buildings		
A.3.2 Receipts from Sale of Merchandise (trading) (from Secondary Activity)		
A.3.3 Sale of Real Estate or other Property and Equipment		
A.3.4 Royalties, Franchise Fees, Copyrights (books, films, records, etc.)		
A.3.5 Others, specify (A.3.5.1 + A.3.5.2 + A.3.5.3 + A.3.5.4 + A.3.5.5 + A.3.5.6 + A.3.5.7 + A.3.5.8)		
A.3.5.1 Rental Income, Equipment		
A.3.5.2		
A.3.5.3		
A.3.5.4		
A.3.5.5		
A.3.5.6		
A.3.5.7		
A.3.5.8		
A.4 Other Income (non-operating) (A.4.1 + A.4.2 + A.4.3 + A.4.4)	2,205.00	2,216.00
A.4.1 Interest Income	2,205.00	2,216.00
A.4.2 Dividend Income		
A.4.3 Gain / (Loss) from selling of Assets, specify (A.4.3.1 + A.4.3.2 + A.4.3.3 + A.4.3.4)		-
A.4.3.1 Income from derecognition of a liability		
A.4.3.2 Loss on cancellation of an agreement		
A.4.3.3		
A.4.3.4		
A.4.4 Others, specify (A.4.4.1 + A.4.4.2 + A.4.4.3 + A.4.4.4)		-
A.4.4.1 Gain / (Loss) on Foreign Exchange		
A.4.4.2		
A.4.4.3		
A.4.4.4		
B. COST OF GOODS SOLD (B.1 + B.2 + B.3)		
B.1 Cost of Goods Manufactured (B.1.1 + B.1.2 + B.1.3 + B.1.4 + B.1.5)		
B.1.1 Direct Material Used		
B.1.2 Direct Labor		
B.1.3 Other Manufacturing Cost / Overhead		
B.1.4 Goods in Process, Beginning		
B.1.5 Goods in Process, End (negative entry)		
B.2 Finished Goods, Beginning		
B.3 Finished Goods, End (negative entry)		
C. COST OF SALES (C.1 + C.2 + C.3)		
C.1 Purchases		
C.2 Merchandise Inventory, Beginning		
C.3 Merchandise Inventory, End (negative entry)		
D. GROSS PROFIT (A - B - C)	2,205.00	2,216.00

NOTE: Pursuant to SRC Rule 68.1 (as amended in Nov. 2005), for fiscal years ending December 31, 2005 up to November 30, 2006, a comparative format of only two (2) years may be filed to give temporary relief for covered companies as the more complex PFRSs will be applied for the first time in these year end periods. After these first time applications, the requirement of three (3) year comparatives shall resume for year end reports beginning December 31, 2006 and onwards.

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION:	LODESTAR INVESTMENT HOLDINGS CORPORATION		
CURRENT ADDRESS:	c/o 7th Floor, Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Wack Wack Greenhills East, Mandaluyong City		
TEL. NO.:	928-9246	FAX NO.:	928-9246
COMPANY TYPE:	Holding Company	PSIC:	6694

If these are based on consolidated financial statements, please so indicate in the caption.

Table 2. Income Statement

FINANCIAL DATA	2019 (In P'000)	2018 (in P'000)
E. OPERATING EXPENSES (E.1 + E.2 + E.3 + E.4)	1,932.00	2,015.00
E.1 Selling or Marketing Expenses		
E.2 Administrative Expenses		
E.3 General Expenses		
E.4 Other Expenses, specify (E.4.1 + E.4.2 + E.4.3 + E.4.4 + E.4.5 + E.4.6 + E.4.7 + E.4.8 + E.4.9 + E.4.10)	1,932.00	2,015.00
E.4.1 Education-related expenditures		
E.4.2 Loss on sale of available-for-sale financial assets		
E.4.3 Management fees		
E.4.4 Professional fees	589.00	618.00
E.4.5 Salaries and wages		
E.4.6 Legal fees	875.00	875.00
E.4.7 Dues and subscriptions	260.00	256.00
E.4.8 Directors' fees	100.00	153.00
E.4.9 Printing and office supplies	33.00	47.00
E.4.10 Others	75.00	66.00
E.4.10.1 Miscellaneous	52.00	43.00
E.4.10.2 Taxes and Licenses	15.00	15.00
E.4.10.3 Listing fees	8.00	8.00
F. FINANCE COSTS (F.1 + F.2 + F.3 + F.4 + F.5)		
F.1 Interest on Short-Term Promissory Notes		
F.2 Interest on Long-Term Promissory Notes		
F.3 Interest on bonds, mortgages and other long-term loans		
F.4 Amorization		
F.5 Other interests, specify (F.5.1 + F.5.2 + F.5.3 + F.5.4 + F.5.5)		
F.5.1		
F.5.2		
F.5.3		
F.5.4		
F.5.5		
G. NET INCOME (LOSS) BEFORE TAX (D - E - F)	274.00	202.00
H. INCOME TAX EXPENSE (negative entry)	-441.00	-443.00
I. INCOME(LOSS) AFTER TAX	-167.00	-241.00
J. Amount of (i) Post-Tax Profit or Loss of Discontinued Operations; and (ii) Post-Tax Gain or Loss Recognized on the Measurement of Fair Value less Cost to Sell or on the Disposal of the Assets or Disposal Group(s) constituting the Discontinued Operation (if any)		
J.1		
J.2		
K. PROFIT OR LOSS ATTRIBUTABLE TO MINORITY INTEREST		
L. PROFIT OR LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
M. EARNINGS (LOSS) PER SHARE		
M.1 Basic	-0.001	-0.001
M.2 Diluted		

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: LODESTAR INVESTMENT HOLDINGS CORPORATION

CURRENT ADDRESS: c/o 7th Floor, Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Wack Wack Greenhills East, Mandaluyong City

TEL. NO.: 928-9246

FAX NO.: 928-9246

COMPANY TYPE Holding Company

PSIC: 6694

If these are based on consolidated financial statements, please so indicate in the caption.

Table 3. Cash Flow Statements

FINANCIAL DATA	2019 (In P'000)	2018 (In P'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
<u>Net Income (Loss) Before Tax and Extraordinary Items</u>	274.00	202.00
<u>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</u>		
Depreciation		
Amortization, specify:		
Others, specify: <u>Interest income</u>	-2,205.00	-2,216.00
<u>Loss on cancellation of an agreement</u>		
<u>Derecognition of a liability</u>		
<u>Write-down of Property, Plant, and Equipment</u>		
Changes in Assets and Liabilities:		
Decrease (Increase) in:		
<u>Receivables</u>		
<u>Inventories</u>		
<u>Other Current Assets</u>	-113.00	-90.00
Others, specify:		
<u>Advances to a stockholder</u>		
<u>Other assets</u>		
Increase (Decrease) in:		
<u>Trade and Other Payables</u>	-841.00	1,100.00
<u>Income and Other Taxes Payable</u>		
Others, specify: <u>Advances from third parties</u>		
<u>Interest received</u>	2,205.00	2,216.00
<u>Cash paid for income taxes</u>	-441.00	-443.00
A. Net Cash Provided by (Used in) Operating Activities (sum of above rows)	-1,121.00	769.00
CASH FLOWS FROM INVESTING ACTIVITIES		
<u>(Increase) Decrease in Long-Term Receivables</u>		
<u>(Increase) Decrease in Investment</u>		
<u>Reductions/(Additions) to Property, Plant, and Equipment</u>		
Others, specify: <u>Acquisition of available-for-sale financial assets</u>		
<u>Proceeds from sale of available-for-sale financial assets</u>		
<u>Return of deposit for future stock investment</u>		
B. Net Cash Provided by (Used in) Investing Activities (sum of above rows)	0.00	0.00
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
<u>Loans</u>		
<u>Long-term Debt</u>		
<u>Issuance of Securities</u>		
Others, specify: <u>Additional advances from stockholders</u>	480.00	543.00
<u>Proceeds from subscribed capital stock</u>		
<u>Proceeds from deposit for future subscription</u>		
Payments of:		
<u>(Loans)</u>		
<u>(Long-term Debt)</u>		
<u>(Stock Subscriptions)</u>		
Others, specify (negative entry):		
C. Net Cash Provided by (Used in) Financing Activities (sum of above rows)	480.00	543.00
NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	-641.00	1,312.00
Cash and Cash Equivalents		
Beginning of year	237,494.00	236,182.00
End of year	236,853.00	237,494.00

NOTE: Pursuant to SRC Rule 68.1 (as amended in Nov. 2005), for fiscal years ending December 31, 2005 up to November 30, 2006, a comparative format of only two (2) years may be filed to give temporary relief for covered companies as the more complex PFRSS will be applied for the first time in these year end periods. After these first time applications, the requirement of three (3) year comparatives shall resume for year end reports beginning December 31, 2006 and onwards.

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: **LODESTAR INVESTMENT HOLDINGS CORPORATION**

CURRENT ADDRESS: **c/o 7th Floor, Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Wack Wack Greenhills East, Mandaluyong City**

TEL NO.: **928-9246**

FAX NO.: **928-9246**

COMPANY TYPE: **Holding Company**

PSIC: **6694**

If these are based on consolidated financial statements, please so indicate in the caption.

Table 4. Statement of Changes in Equity

(Amount in P'000)

FINANCIAL DATA	Capital Stock	Additional Paid-in Capital	Revaluation Increment	Translation Differences	Retained Earnings	TOTAL
A. Balance, 2018	300,000.00	65,715.00	-	-	(124,792.00)	240,923.00
A.1 Correction of Error(s)						
A.2 Changes in Accounting Policy						
B. Restated Balance						
C. Surplus						
C.1 Surplus (Deficit) on Revaluation of Properties						
C.2 Surplus (Deficit) on Revaluation of Investments						
C.3 Currency Translation Differences						
C.4 Other Surplus (specify)						
C.4.1						
C.4.2						
C.4.3						
C.4.4						
C.4.5						
D. Net Income (Loss) for the Period					(241.00)	(241.00)
E. Dividends (negative entry)						
F. Appropriation for (specify)						
F.1						
F.2						
F.3						
F.4						
F.5						
G. Issuance of Capital Stock						
G.1 Common Stock						-
G.2 Preferred Stock						
G.3 Others - Deposit for Future Subscription						-
H. Balance, 2019	300,000.00	65,715.00	-	-	(125,033.00)	240,682.00
H.1 Correction of Error(s)						
H.2 Changes in Accounting Policy						
I. Restated Balance						
J. Surplus						
J.1 Surplus (Deficit) on Revaluation of Properties						
J.2 Surplus (Deficit) on Revaluation of Investments						
J.3 Currency Translation Differences						
J.4 Other Surplus (specify)						
J.4.1						
J.4.2						
J.4.3						
J.4.4						
J.4.5						
K. Net Income (Loss) for the Period					(167.00)	(167.00)
L. Dividends (negative entry)						
M. Appropriation for (specify)						
M.1						
M.2						
M.3						
M.4						
M.5						
N. Issuance of Capital Stock						
N.1 Common Stock						-
N.2 Preferred Stock						
N.3 Others - Deposit for future subscription						-
O. Balance, 2018	300,000.00	65,715.00	-	-	(125,200.00)	240,515.00

SEC Registration Number

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Company Name

L	O	D	E	S	T	A	R	I	N	V	E	S	T	M	E	N	T	H	O	L	D	I	N	G	S			
C	O	R	P	O	R	A	T	I	O	N																		

Principal Office (No./Street/Barangay/City/Town/Province)

7	F	P	e	a	k	s	u	n	B	u	i	l	d	i	n	g	1	5	0	5	P	r	i	n	c			
t	o	n	S	t	.	,	c	o	r	.	S	h	a	w	,	B	l	v	d	.	,							
B	r	g	y	W	a	c	k	-	W	a	c	k	,	G	r	e	e	n	h	i	l	l	s					
E	a	s	t	,	M	a	n	d	a	l	u	y	o	n	g	C	i	t	y									

Form Type

1	7	A
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	/	A
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COMPANY INFORMATION

Company's Email Address

www.lodestarholdings.com
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Company's Telephone Number/s

(632) 928-9246

Mobile Number

N/A

No. of Stockholders

61

Annual Meeting

2nd Wednesday of May

Fiscal Year
Month/Day

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Venus L. Gregorio

Email Address

Nitsbeng.gregoriolaw@my destiny.net
--

Telephone Number/s

(632) 8920-9306

Mobile Number

--

Contact Person's Address

7F Peaksun Bldg., 1505 Princeton St. corner Shaw Blvd., Mandaluyong City
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Note: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A**

**ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES**

1. For the fiscal year ended: December 31, 2019
2. SEC Identification Number: 54106
3. BIR Tax Identification No.: 200-751-430-000
4. Exact name of issuer as specified in its charter:

LODESTAR INVESTMENT HOLDINGS CORPORATION
(Formerly: LODESTAR MINING CORPORATION)

5. Philippines
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. 7/F Peaksun Bldg., Princeton St., Shaw Blvd., Mandaluyong City
Address of principal office 1552
Postal Code
8. (632) 920-9306
Issuer's telephone number, including area code
9. Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
(Par Value: ₱0.10)	
Common Shares	3,000,000,000

11. Are any or all of these 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 Common Shares : 640,000,000

12. Check whether the issuer:

- (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 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 []

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this form. (See definition of "affiliate" in "Annex B").

The aggregate market value as at 02 June 2020 of the voting stock held by non-affiliates of the registrant is ₦ 1,559,970,880. (2,999,944,000 x ₦0.52)

**APPLICABLE ONLY TO ISSUERS INVOLVED IN
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS
DURING THE PRECEDING FIVE YEARS.**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Not Applicable

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

(a) Any annual report to security holders;

None

(b) Any proxy or information statement filed pursuant to SRC Rule 20 and 17.1(b);

None

(c) Any prospectus filed pursuant to SRC Rule 8.1-1.

None

PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Business

On January 3, 1974, Lodestar Mining Corporation (now Lodestar Investment Holdings Corporation) ("LIHC" or the Company") was incorporated in the Philippines and established primarily as a mining and natural resources exploration company. The Company was engaged in the development of several gold and chromite mining claims in Masbate, Cebu, Negros Occidental and Palawan.

In 1988, the Company filed an application for listing of its 30,000,000 common shares with the Philippine Stock Exchange ("PSE") formerly known as the Manila and Makati Stock Exchanges. On October 11, 1988, the SEC issued to the Company a Certificate of Permit to Offer Securities for Sale and rendered the Registration Statement to be effective. The Company was able to complete its initial public offering and the listing of the Company's shares was made effective on May 26, 1989.

In October 2003, the primary purpose of the Company was changed from a mining company to an investment holding company.

On September 26, 2008, the Board of Directors authorized the Company to enter into a Heads of Agreement with Abacus Consolidated Resources and Holdings, Inc. ("ABACORE") and Musx Corporation ("Musx") for the joint acquisition by the Company and Musx of all the outstanding and issued shares of Abacus Coal Exploration and Development Corporation ("ABACOAL") with a sharing arrangement of fifty five percent (55%) for Musx and forty five (45%) for the Company. The Company and Musx have likewise entered into an Agreement for Joint Investment whereby the investment parameters for such investment into ABACOAL were set forth.

On May 21, 2009, the Company executed an Amendment to the Agreement for Joint Investment with Musx Corporation. The amendment primarily consists in the assignment to the Company of Musx's fifty five percent (55%) interest in ABACOAL subject to the terms and conditions provided in the said agreement. As a result, the Company acquired the right to purchase one hundred percent (100%) of the shares of stock of ABACOAL which necessitated a bigger capital expenditure on the part of the Company.

On May 31, 2009, the Company executed a Memorandum of Agreement with Oriental Vision Mining Corporation ("Oriental") to undertake exploration and development activities of the coal properties of ABACOAL. Under the agreement, Oriental shall develop and operate the Coal Property and pay the Company a royalty fee of Eight Percent (8%) of gross coal price per ton based on FOB loaded to vessel.

On July 21, 2015, the Company entered into Cancellation of the Heads of Agreement, Amended Heads of Agreement and Allied Contracts with Abacus Consolidated Resources Holdings, Inc. (ABACORE) and Abacus Coal Exploration and Development Corporation (ABACOAL). The cancellation was necessitated by the fact that the Merger with ABACOAL was not approved by LIHC shareholders for lack of quorum during the Annual Shareholder's Meeting called for the three (3) years prior. Thus, the Company no longer has any contractual interest over ABACOAL as a result of the cancellation of other Heads of Agreement and its allied contracts.

On October 25, 2016, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Mr. Nathaniel C. Go for the subscription, via private placement, to two hundred sixty million (260,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares were issued out of the Company's current authorized capital stock of one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share.

Likewise, on the same date, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Ms. Socorro P. Lim, for the subscription, via private placement, to two billion (2,000,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares were issued out of the increase in the Company's authorized capital stock from one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share to three hundred million pesos (₱300,000,000.00) consisting of three billion (3,000,000,000) common shares, with a par value of ten centavos (₱0.10) per share. On December 8, 2016, the stockholders representing approximately 67.23 % of the outstanding capital stock of the Company affirmed, ratified and re-adopted the increase in the authorized capital stock of the Company. On June 14, 2017, the Securities and Stock Exchange approved the increase in authorized capital stock.

The Company has never been engaged in any bankruptcy, receivership or other similar proceedings. Neither has the Company undergone any material reclassification, merger, consolidation or purchase or sale of a significant amount of assets not in the ordinary course of business.

Item 2. Properties

The Company has no real properties.

Item 3. Legal Proceedings

The Company has never been a subject or party to any legal proceeding, material or otherwise. Neither is any property of the Company a subject of any legal proceeding, material or otherwise.

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

During the Annual Stockholders' Meeting of 22 December 2010, Stockholders representing a total of 504,033,000 shares or 68.1126% of the outstanding capital stock of the Company approved the proposed reduction in the par value of the shares of stock of the Company from Ten Centavos (₱0.10) per share to One Centavo (₱ 0.01) per share resulting in a stock split of ten (10) shares for every one (1) share owned. This plan of reduction in the par value of the shares of stock of the Company is not yet implemented.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

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

The principal market of the Company's shares is the PSE.

Closing market price as at June 2, 2020 was ₱ 0.52.

The high and low sales prices of each quarter covering the years 2019, 2018 and 2017 are as follows:

	<u>High</u>	<u>Low</u>
2020		
First Quarter	₱ 0.415	₱ 0.40
Second Quarter – June 2, 2020	0.54	0.52
2019		
First Quarter	₱ 0.75	₱ 0.51
Second Quarter	0.65	0.46
Third Quarter	0.56	0.47
Fourth Quarter	0.55	0.48
2018		
First Quarter	₱ 0.80	₱ 0.62
Second Quarter	0.68	0.52
Third Quarter	0.71	0.53
Fourth Quarter	0.59	0.48
2017		
First Quarter	₱ 1.35	₱ 0.93
Second Quarter	1.19	0.97
Third Quarter	1.07	0.86
Fourth Quarter	0.89	0.60

Source: Technistock

The number of shareholders as of 31 December 2019 is 61¹. Common shares outstanding as of 31 December 2019 are 3,000,000,000 shares per records of BDO Unibank, Inc.

The following table presents the Company's top 20 shareholders as at 31 December 2019:

Name of Shareholder	Class of Security	Number of Shares	Percentage to Total
Socorro P. Lim	Common	2,000,000,000	66.667%
PCD Nominee Corporation-Filipino	Common	629,906,429	20.997%
Nathaniel C. Go	Common	260,000,000	8.667%
Renato L. Reyes	Common	72,000,000	2.400%
Ramon L. Abad, Jr.	Common	28,000,000	0.933%
PCD Nominee Corporation- Non-Filipino	Common	2,579,001	0.086%
Jones R. Castro	Common	1,700,000	0.057%
Renato Lumague	Common	600,000	0.020%
William T. Enrile &/or William R. Enrile II &/or Nelly R. Enrile	Common	500,000	0.017%
Joel S. Diaz	Common	500,000	0.017%

² Per the records of BDO Unibank, Inc.

Joaquin Corpus	Common	500,000	0.017%
Ross W. Garling	Common	400,000	0.013%
John T. Mesina	Common	300,000	0.010%
Jovenal Gonzalez	Common	300,000	0.010%
Jose De Peralta	Common	300,000	0.010%
Cesar Hablero	Common	160,000	0.005%
William Stone	Common	100,010	0.003%
Reuben Alderson	Common	100,000	0.003%
Jerry Angping	Common	100,000	0.003%
Aroroy Municipal Council Educational Fund	Common	100,000	0.003%

No dividends were declared by the Corporation for the period covered by this report.

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

On July 21, 2015, the company entered into a Cancellation of the Heads of Agreement, Amended Heads of Agreement and Allied Contracts with Abacus Consolidated Resources Holdings, Inc. (ABACORE) and Abacus Coal Exploration and Development Corporation (ABACOAL). The cancellation was necessitated by the fact that the Merger with ABACOAL was not approved by LIHC stockholders for lack of quorum during the Annual Shareholder's Meetings called for from 2012 to 2015.

Thus, the Company no longer has any contractual interest over ABACOAL as a result of the cancellation of the Heads of Agreement and its allied contracts.

Business Plan:

Business outlook for 2020 is geared towards looking for other business ventures, which is still in line with the primary purpose of the Company as a holdings corporation. Thus, the Company may again tap into various sources to look for opportunities in the diversified business sectors that are viable, growing and profitable. The Company's strategy will be to invest-buy-in or acquire businesses where the Company will at least own a significant stake or interest of the investee Company's outstanding capital. The said investment amount will allow the Company to recognize its proportionate share of the equitized earnings from its investee companies.

In October 2016, the Company started implementing its capital raising plans by issuing subscription to capital stocks via private placements to two billion two hundred sixty million shares at the subscription price of ten centavos (₱0.10) which was approved by the SEC on June 14, 2017. This was intended to provide the Company investable funds and working capital for prospective projects. Specifics of such deals, if any, will be properly disclosed in accordance with the continuing disclosure requirements of the SEC and the PSE.

For the next twelve (12) months, the Company's cash requirements will be satisfied from the proceeds of the private placements.

**Financial Performance
In Philippine Pesos**

Key Financial Indicator			
	Year 2019	Year 2018	Year 2017
Revenues	2,204,769	2,216,426	1,066,520
Cost and Expenses	2,372,144	2,457,333	2,763,403
Other Losses	-	-	-
Net Income (Loss)	(167,375)	(240,907)	(1,696,883)
Current Assets	241,821,632	242,830,077	241,970,827
Current Liabilities	1,307,306	2,148,376	1,048,219
Total Assets	241,821,632	242,830,077	241,970,827
Total Liabilities	1,307,306	2,148,376	1,048,219
Stockholders' Equity	240,514,326	240,681,701	240,922,608
Current Ratio:	184.98	113.03	230.84
Current Assets / Current Liabilities	241,821,632 / 1,307,306	242,830,077 / 2,148,376	241,970,827 / 1,048,219
Debt to Equity Ratio	0.005	0.009	0.004
Total Liabilities/Stockholders' Equity	1,307,306 / 240,514,326	2,148,376 / 240,681,701	1,048,219 / 240,922,608
Return on assets	NA	NA	NA
Net Income / Total Assets			
Earnings (Loss) Per Share			
Net Income (Loss) /No. of shares outstanding	(167,375)/ 3 B	(240,907)/ 3 B	(1,696,883)/ 3 B

Full Fiscal Years

Calendar Year 2019

Proceeds of the increase of capital stock via private placements approved on June 14, 2017 by the Securities and Exchange Commission will be used for investments into corporate undertakings or businesses. These are still not yet definite or identified as of date, hence, no acquisition or combination has resulted from, or accompanies the transactions.

For 2019, the Company has incurred expenses amounting to ₱ 2.372 million, 3.47 % or ₱0.085 million lower as compared with 2018 expenses of ₱ 2.46 million. Interest earned from available cash deposits amounts to ₱ 2.205 million a slight lower compared to ₱ 2.216 million earned in 2018.

The above transactions resulted to a 0.30 % or ₱ 0.64 million decrease in cash from ₱ 237.49 million in Dec. 31, 2018 to ₱ 236.85 million in Dec. 31, 2019.

There was a 23.50% or ₱ 480.00 thousand net decrease in related party transactions due to partial collection.

There was a 3.46% or ₱112.43 thousand increase in other current assets due to increase in input tax.

There was a 39.15% or ₱ 0.841 million net decrease in liabilities due to partial settlement of unpaid accounts.

There was a decrease of ₦ 167.38 thousand in deficits due to net loss incurred during the year.

Calendar Year 2018

For 2018, the Company's care and maintain status resulted to a 0.55 % or ₦ 1.31 million increase in cash from ₦ 236.18 million in Dec. 31, 2017 to ₦ 237.49 million in Dec. 31, 2018.

There was a 21.0% or ₦ 542.82 thousand net decrease in related party transactions due to partial collection.

There was a 2.80% or ₦ 89.66 thousand increase in other current assets due to increase in input tax.

There was a 105% or ₦ 1.10 million net increase in liabilities due to accrual of legal and audit fees.

There was an increase of ₦ 240.91 thousand in deficits mainly due to net loss incurred during the year.

For 2018, interest income of ₦ 2.22 million was 107.82% or ₦ 1.15 million higher as compared to 2017 interest income of only ₦ 1.07 million due to substantial increase in cash brought about by private placements.

Cost and expenses of ₦ 2.46 million was 11.08% or ₦ 306.07 thousand lower as compared to 2017 operating expenses of ₦ 2.76 million. The decrease is mainly attributable to cost of documentary stamp tax and filing fees paid relative to the increase in authorized capital stock in 2017.

Calendar Year 2017

On June 14, 2017, the Securities and Exchange Commission approved the increase of capital stock via private placements from One Billion (1,000,000,000) common shares with a par value of Ten Centavos (₦ 0.10) per share to Three Billion (3,000,000,000) common shares with a par value of Ten Centavos (₦ 0.10).

Portions of the proceeds of these transactions will be used for investments into corporate undertakings or businesses. These are still not yet definite or identified as of date, hence, no acquisition or combination has resulted from, or accompanies the transactions.

The above transactions resulted to a 172.3 % or ₦ 149.43 million increase in cash from ₦ 86.75 million in Dec. 31, 2016 to ₦ 236.18 million in Dec. 31, 2017.

There was a 39.2% or ₦ 727.82 thousand net increase in related party transactions

There was a 51.4% or ₦ 3.39 million decrease in other current assets due to collection of receivables from a third party.

There was a 33.9% or ₦ 537.01 thousand net decrease in liabilities due to partial settlement of payables.

There was a 100% increase in capital stock due to full payment of private placements made in 2016. An increase of 1.38% or ₦ 1.70 million in deficits is mainly due to the net loss incurred during the year. The decrease in additional paid-in-capital was due to application of cost of documentary stamp tax amounting to ₦1 million for the increase in subscribed capital stock.

For 2017, interest income of ₦1.07 million was 592.00% or ₦912.41 thousand higher as compared to 2016 interest income of only ₦ 154.11 thousand due to substantial increase in cash brought about by private placements.

Cost and expenses of ₦ 2.76 million was 22.03% or ₦0.78 million lower compared to 2016 operating expenses of ₦ 3.54 million. The decrease is mainly attributable to the provision for impairment loss posted in 2016.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

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

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligation), and other relationships of the Company with unconsolidated entities or other persons created during the year.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no seasonal aspects that had a material effect on the Company's financial condition or results of operations.

There are no material events and uncertainties known to management that would address the past and would have an impact on future operations of the Registrant.

Item 7. Financial Statements

The Company's Financial Statements together with the notes thereto are incorporated and attached to this report in its entirety.

INFORMATION ON INDEPENDENT ACCOUNTANT

Audit Fees

For 2019 like in 2018, Punongbayan and Araullo (PNA) were tapped again to review the financial statements. Mangay-ayam, Lim & Co. (MLCPA) were tasked to review the 2017 financial statements. PNA, has been the Company's independent auditor from 2009 to 2016. Fees paid by the Company covering 2017-2019 amounted to ₱390,000.00, ₱400,000.00 and ₱280,000.00, respectively.

In 2016 when PNA was commissioned not only to conduct the annual audit of financial statements but also to prepare a special audit report to support the Company's application for increase in authorized capital stock. Service fees amounted to ₱ 69,000.00. Also in the same year, MLCPA was appointed to process the increase in authorized capital stock of the company for a fee of ₱ 300,000.00

The Company is not covered by BIR RMC No. 36-2016 and Professional Regulatory Board of Accountancy Resolution No. 03 Series of 2016 requiring the submission of certificate by the responsible Certified Public Accountants on the Compilation Services for the preparation of financial statements and notes thereto. The ruling covers those issuers which have a gross sales or revenues exceeding Ten Million Pesos (₱ 10,000,000.00) for a particular accounting year. The Financial Statements and the notes thereto are prepared by the Interim Accountant of the Issuer.

Audit Committee's Approval Policies and Procedures

The Audit Committee and PNA meet to discuss the audit plan, new accounting standards for adoption by the group, timetable, professional staff assigned to perform the engagement and service fees to be charged by the auditor, among others. Before the audit report is finalized, PNA presented the same to the Audit Committee and the Board of Directors and secured the approval for release of the audited financial statements.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

In compliance with the BIR RMC No. 36-2016 and Professional Regulatory Board of Accountancy Resolution No. 03 Series of 2016, the financial statements and notes thereto for the calendar year ended 31 December 2019 were prepared by the Issuer's Interim Accountant. There were no disagreements with Accountants on accounting and financial disclosure.

Pursuant to the General Requirements of SRC Rule 68, Section 3.b.iv (Qualifications of Independent Auditors), the external auditors shall be rotated every after five (5) years of engagement. In case of a firm, the signing partner shall be rotated every after said period. The Company is in compliance with SRC Rule 68, Section 3.b.iv.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

The Company's Board of Directors is responsible for the over-all management and direction of the Company. The Board meets to review and monitor the Company's future plans. Each Board member serves for a term of one year until his successor is duly elected and qualified.

The following table presents the members of the Board of Directors and Officers as at 31 December 2019.

Name	Age	Nationality	Present Position	Date Elected and / or Appointed
Antonio V.F. Gregorio III	47	Filipino	Director and Chairman	May 15, 2009 as Director and Dec. 13, 2012 as Chairman
Chi Ho Co	47	Filipino	Director and President	Sept. 22, 2008 as Director and Dec. 13, 2012 as President
Richard N. Palou	72	Filipino	Director	December 18, 2017
Delfin S. Castro, Jr.	54	Filipino	Director, CFO and Treasurer	December 11, 2015
Ramoncito B. Cabalu	63	Filipino	Director	December 11, 2015
Leonardo B. Cua	64	Filipino	Independent Director	December 11, 2019
Felixes Latonero	46	Filipino	Independent Director	December 18, 2017
Venus L. Gregorio	51	Filipino	Corporate Secretary and Corporate Information Officer	December 13, 2012

The following information is furnished with respect to each incumbent director and officer of the Company, with their respective ages, citizenship, and past business experiences from the last five years:

ANTONIO VICTORIANO F. GREGORIO III, 47, Filipino/ Director/ Chairman/ Chairman, Nomination Committee/ Member, Audit Committee

Atty. Antonio Gregorio III graduated Second Honors, with a Juris Doctor from the Ateneo de Manila University in 1998 and passed the bar examinations of 1999. He also has a Bachelor of Science Major in Management Engineering and a Bachelor of Arts, Major in Economics-Honors, both from the Ateneo de Manila University, Magna Cum Laude. He was a valedictorian of his high school class in the Ateneo. Atty. Gregorio sits as director and officer of various public and private companies, including NiHao Mineral Resources International, Inc. (President from 2011 to present and Chairman from 2012 to present), Dizon Copper-Silver Mines (Treasurer/Director from 2012 to present), Abacore Capital Holdings, Inc. (Director, 2009 to present), Cuervo Far East, Inc. (Corporate Secretary/Director 2005 to present), Barnyard Realty Corporation (Corporate Secretary, 2002 to present) and 4A9T Scholarship Foundation, Inc. (Corporate Secretary/Trustee from 1999 to present). He was formerly the Chairman and President of Asiabest Group International, Inc. (2011 to May 2017). He was also the Corporate Secretary/ Director of the following companies: GNA Resources International Limited (2011 to 2015).

CHI HO CO, 47, Filipino/ Director and President/ Member, Audit Committee/ Member, Nomination Committee/ Member, Executive Committee.

Mr. Chi Ho Co is a businessman who currently serves as Director and Officer of various publicly listed and private companies including, NiHAO Mineral Resources International, Inc. (2013 to present), Geograce Resources Philippines, Inc. (2013 to present), Hightower, Inc. of which he is the President (2003 to present), Glomedic Philippines, Inc. (Chairman, 2004 to present), Banquets in Style, Inc.(Chairman, 2003 to present), Cavite Apparel Corporation (VP, 1998 to present), Subic Bay Apparel Corporation (VP, 1998 to present), Julia Realty & Development Corp. (Treasurer, 2006 to present), Edgeport Properties, Inc.

(Treasurer/Secretary, 2006 to present), Fasttrack Realty & Development, Inc. (Chairman, 2004 to present) and CAC Motors Corp. (President, 2002 to present) among other companies. He was formerly a Director of Asiabest Group International Inc. (2011 to May 2017)

RICHARD WILLIAM N. PALOU, 72, Filipino/ Director/ Member, Governance Committee and Compensation Committee

Mr. Palou is an MBA candidate and a graduate of Business Management at the Ateneo de Manila University. He currently serves as Director of DENAGA pawnshop, Inc. (2007 to present), Vantage Investigation and Security Agency, Inc. (2007 to present), First Philippine Wind Corporation (1997 to present). He was formerly a Director of Asiabest Group International, Inc. (2008 to May 2017) and a Director for the University Athletics at the Ateneo de Manila University (2004 to 2017).

DELFIN S. CASTRO, JR., 54, Filipino/ Director/Treasurer/Assistant Corporate Information Officer/ Member, Compensations Committee

Mr. Delfin S. Castro, Jr. holds a Masters Degree in Business Administration and a Bachelor of Science Degree in Business Administration from the University of the Philippines. He is currently the Chairman and President of Dizon Copper-Mines, Inc. (2012 to present), Treasurer of NiHao Mineral Resources International, Inc. (2001 to present), Director/Treasurer of Geograce Resources Philippines, Inc. (2006 to present). He is also a Director and Corporate Secretary of Sunplaza Development Corporation and Treasurer of the Peak Condominium Corporation. Her was formerly a Director/Treasurer of Asiabest Group International, Inc. (2010 to May 2017)

RAMONCITO CABALU, 63, Filipino/ Director

Mr. Cabalu graduated with a Bachelor of Arts degree major in Economics and Social Sciences at the University of the Philippines in 1977. Mr. Cabalu is a Director and President of a major entertainment company Circle Asia Group with major industry players to service the entertainment requirements of gaming companies in Manila and the emerging markets (2014). He is also currently a Director and Partner of Maple Tree Investments (2014) and Vice-President/Partner for Business Development of Garco Minerals and Chemical Trading.

LEONARDO B. CUA, 64, Filipino/ Independent Director/ Member, Governance Committee

Mr. Cua, studied Bachelor of Science major in Biology from the University of the Philippines and Doctor of Medicine from University of the East Ramon Magsaysay Memorial Medical Center (UERMMMC). He completed his post graduate internship from the Manila Doctor's Hospital and residency training at the UERMMMC. He is a physician by profession and currently a member of Philippine Medical Association and Philippine Society of Anesthesiologists. Mr. Cua is currently a Director of Dizon Copper-Silver Mines, Inc. (2012-present) and an Independent Director of NiHao Mineral Resources International, Inc. (2017 to present). He is also a co-owner (2003 – present) and Cosmetic Surgeon (2014 – present) of JMC Derm Specialist Clinic.

FELIXES LATONERO, 46, Filipino/ Independent Director/Member, Governance Committee

Mr. Latonero is an Independent Director from 18 December 2017. He is likewise currently an Independent Director of Geograce Resources Philippines, Inc. (2016 to present) and Asiabest Group International, Inc. (2015 to present). He is the President of Nontrad

Advertising and FGL Modular Cabinet System, Inc. (2003 to present). He graduated in 1995 with a degree in Fine Arts from the EARIST.

VENUS L. GREGORIO, 51, Filipino/ Corporate Information Officer/ Corporate Secretary

Atty. Gregorio graduated with a Juris Doctor from the Ateneo de Manila University in 1998 and passed the bar examinations in 1999. She has a Bachelor of Arts degree major in Political Science from the University of the Philippines. Atty. Gregorio sits as Assistant Corporate Information Officer and Assistant Corporate Secretary of Dizon Copper-Silver Mines, Inc., and Asst. Corporate Secretary/Director of Cuervo Far East, Inc. (2005 to present). She was formerly the Corporate Secretary and Corporate Information Officer of Asiabest Group International Inc. (2011 to 2017).

Family Relationships

Atty. Antonio Victoriano F. Gregorio III and Atty. Venus L. Gregorio are spouses.

Other than the relationship disclosed above, the company is not aware of any other family relationships up to the fourth civil degree, either by consanguinity or affinity, among the directors and officers of the Company.

Involvement in Certain Legal Proceedings

The Company is not aware of:

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

Item 10. Executive Compensation

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Amount of Compensation
	2020 (est)	0
Antonio V.F. Gregorio III, Chairman (1) Chi Ho Co, President (1) Delfin S. Castro, Jr., Treasurer/ CFO (1) No other officers receiving compensation as a group		sum of the aggregate of the named executives
	2019	0
Antonio V.F. Gregorio III, Chairman (1) Chi Ho Co, President (1) Delfin S. Castro, Jr., Treasurer/ CFO (1) No other officers receiving compensation as a group		sum of the aggregate of the named executives
	2018	0
Antonio V.F. Gregorio III, Chairman (1) Chi Ho Co , President (1) Delfin S. Castro, Jr., Treasurer/ CFO (1) No other officers receiving compensation as a group		sum of the aggregate annual cash compensation compensation of the named executives

(1) No compensation for services rendered

- **Compensation of Directors**

Other than a minimal per diem in the amount of ₱5,000.00 to ₱10,000.00 for each Board meeting attended, the Directors of the Company are not compensated, directly or indirectly, for any services provided as such including committee participation or any special assignments.

- **Employment Contracts and Termination of Employment and Change-in-control Arrangement**

There are no special arrangements as to the employment contract of any executive officer such that said officer will be compensated upon his resignation, retirement or other termination from the Company or its subsidiaries, or as may result from a change-in-control except as provided by law.

- **Warrants and Options Outstanding**

There are no outstanding warrants and options outstanding held by the Company's President, the named executive officers and all officers and directors as a group.

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

Security Ownership of Certain Record and Beneficial Owners

The following are the owners of record of more than five percent (5%) of the Company's outstanding capital stock, the number of shares and percentage of shareholdings of each of them as of 31 December 2019.

Type of Class	Name, address of owner and relationship with issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Amount of Ownership	Percent of Class
Common	Socorro P. Lim		Filipino	2,000,000,000	66.67%
Common	PCD Nominee Corporation	AP Securities, Inc. – 193,502,000 (6.45%)	Filipino	629,906,429	20.73%
Common	Nathaniel C. Go		Filipino	260,000,000	8.67%

Security Ownership of Management

The following are the number of common shares owned of record by the directors and executive officers of the Company and the percentage of shareholdings of each of them, as of December 31, 2019:

Title of Securities	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership (D) direct/ (I) indirect	Citizenship	Percent of Class
Common	Antonio V.F. Gregorio III Chairman and Director	10,000 (Direct)	Filipino	0.000%
Common	Chi Ho Co President and Director	10,000 (Direct)	Filipino	0.00%
Common	Delfin S. Castro, Jr. Director, CFO, Treasurer and Assistant Corporate Information Officer	10,000 (Direct)	Filipino	0.00%
Common	Ramoncitu Cabalu Director	1,000 (Direct)	Filipino	0.00%
Common	Richard N. Palou Director	10,000 (Direct)	Filipino	0.00%
Common	Leonardo Cua Independent Director	5,000 (Direct)	Filipino	0.00%
Common	Felixes G. Latonero Independent Director	10,000 (Direct)	Filipino	0.00%

Title of Securities	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership (D) direct/ (I) indirect	Citizenship	Percent of Class
Common	Venus L. Gregorio Corporate Secretary and Corporate Information Officer	10,000 (Indirect) From Antonio V.F. Gregorio	Filipino	0.00%
	Aggregate for above named Officers and Directors	56,000		0.00%

Changes in Control

No arrangements are in place, which may result in a change in the control of the Company.

Item 12. Certain Relationships and Related Transactions

Transactions With Related Parties:

The Company extended advances to a stockholder which amounted to ₱1,562,076 and ₱2,042,076 of December 31, 2019 and 2018, respectively.

Transactions With Key Management Personnel:

The Company avails of the services rendered by lawyers who are also key management personnel of the Company. The related legal fees for 2019 amount to ₱875 thousand.

PART IV – CORPORATE GOVERNANCE

On April 22, 2020, SEC has given notice on the extension of the deadline for the submission of the Integrated Annual Corporate Governance Report (SEC Form-I- ACGR) from 30 May 2020 to 30 July 2020 due to the recognition of the impact of the 2019 Coronavirus Disease (COVID-19) pandemic on the regular operations of corporations and to ease the regulatory burden of the business sector during these trying times.

PART V – EXHIBITS AND SCHEDULES

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

(a) Exhibits

None.

(b) Reports on SEC Form 17-C

The following SEC Form 17-C (Current Reports) have been filed by the Company during the last twelve-month period covered by this report on the dates mentioned hereunder:

<i>Date of Event Reported</i>	<i>Event Reported</i>
April 5, 2019	Approval of the final draft of the Annual Financial Statements and Annual Report.
December 11, 2019	<p>The following matters were taken up during the Annual Stockholders' Meeting:</p> <ul style="list-style-type: none">(1) Approval of minutes of the annual stockholders' meeting held on 13 December 2019,(2) Adoption of the Audited Financial Statements and Annual Reports for the calendar year ended 31 December 2018.(3) Annual Report of the President / Chairman,(4) Election of directors,(5) Approval of all acts of the Board of Directors and Management for the period covered from the last Annual Stockholders Meeting of the Corporation held on 13 December 2018 to the date of the 2019 Annual Stockholders Meeting.(6) Appointment of Punongbayan & Araullo as the External Auditor for the year ended December 31, 2019. <p>Organizational Meeting of the Board of Directors.</p>

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the Issuer by the undersigned, thereto duly authorized, in Mandaluyong City on June 23, 2020.

By:

ANTONIO VICTORIANO F. GREGORIO III
Chairman of the Board

CHI HO CO
President
DELFIN S. CASTRO, JR.
CFO/Treasurer
GINA C. PASION
Interim Accountant
VENUS L. GREGORIO
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 23 day of JUN 23 2020 2020
affiants exhibiting to me

Name	ID No.
Antonio V.F. Gregorio III	TIN 201-897-602
Chi Ho Co	TIN 167-858-435
Delfin S. Castro, Jr.	TIN 164-381-790
Venus Gregorio	TIN 181-964-522
Gina Pasion	TIN 165-705-315

Doc. No. : 20
Page No. : 20
Book No. :
Series of 2020.

ATTY. JUAN JAIMIE NOLASCO
NOTARY Public DEC. 01, 2021
NP NO. 103657 / 1100710 - RIZAL
NP NO. 4350763 - 16/2020 - MAND. CITY
NL NO. B0093 / NCLE NO. VI-0020547 / 04/14/2022
1111 UT 3F CSV BLDG. MAYSILO CIRCLE
1111 PLAINVIEW MAND. CITY

Annex A: Reporting Template

(For additional guidance on how to answer the Topics, organizations may refer to Annex B: Topic Guide)

Contextual Information

Company Details	
Name of Organization	LODESTAR INVESTMENT HOLDINGS CORPORATION
Location of Headquarters	7 TH FLOOR PEAKSUN BLDG., PRINCETON ST., BRGY GREENHILLS EAST WACKWACK, MANDALUYONG CITY
Location of Operations	7 TH FLOOR PEAKSUN BLDG., PRINCETON ST., BRGY GREENHILLS EAST WACKWACK, MANDALUYONG CITY
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	NONE (NO SUBSIDIARIES)
Business Model, including Primary Activities, Brands, Products, and Services	INVESTMENT HOLDINGS COMPANY
Reporting Period	31 DECEMBER 2019
Highest Ranking Person responsible for this report	VENUS L. GREGORIO CORPORATE SECRETARY / CIO / COMPLIANCE OFFICER

*If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.

Materiality

Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.¹

Lodestar Investment Holdings Corporation (LIHC / the Company. The Organization) is a holdings Company with no subsidiary. The report is thus limited to LIHC as a single entity without subsidiaries.

The materiality principle applied is significance, relevance and substance. We considered whether the data and information sought under each topic and their corresponding impacts, risks and opportunities are significant, relevant and/or substantial.

On the reverse side, we determined if the topics and issues set out in the Report will have minimal to no impact at all and are therefore deemed insignificant or inconsequential. Since the Company is non-operational, its maintenance and upkeep are being provided by a team of professionals / service providers. Under the current set-up, the Company does not directly undertake any activity that entails consumption of products or resources.

¹ See GRI 102-46 (2016) for more guidance.

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Value	Amount	Units
Direct economic value generated (revenue)		-	PhP
Direct economic value distributed:			
a. Operating costs	1,931,190	PhP	
b. Employee wages and benefits		-	PhP
c. Payments to suppliers, other operating costs		-	PhP
d. Dividends given to stockholders and interest payments to loan providers		-	PhP
e. Taxes given to government	60,678	PhP	
f. Investments to community (e.g. donations, CSR)		-	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The impact relates to operating costs incurred by the Company to maintain its juridical and publicly listed status.	Shareholders and investors are affected. The costs continue to be incurred on a regular basis for the care and maintenance of the Corporation thus resulting on a negative impact on capital.	In order to minimize costs, the Company contracts the services of professionals for its upkeep and maintenance. Management deposits its corporate funds to earn interests thereon. The operating costs are then defrayed from interest income on deposits.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The operating costs result in reduction in capital. The funds are also deposited in a reputable bank and are thus exposed to inherent risks faced by banking institutions.	Shareholders and investors are affected as the costs constitute a reduction in capital. Inherent banking risks such as deposit and liquidity risks may ultimately affect shareholders and	Management continues to look for business and investment opportunities to enable it to earn income. The funds of the Corporation are deposited in reputable banking institutions.

	investors' interests as well.	
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Company minimizes costs by contracting out its upkeep and maintenance to professionals.	Shareholders and investors are positively affected as the savings have a positive effect on capital.	Management will continue this contractual arrangement to save on its capital and resources.

Climate-related risks and opportunities²

Governance	Strategy	Risk Management	Metrics and Targets
The Company is currently non-operational. It has no policy or governance around climate-related risks and opportunities as the same do not directly impact the Company's current non-operational status.	There is no strategy related to any policy or governance around climate-related risks and opportunities as the same does not directly impact the Company's current non-operational status.	In the event the Company undergoes operations, Management will study, evaluate identify, assess, and manage climate-related risks.	Metrics and targets will be studied, evaluated and applied once the Company becomes operational.
a) The Board of Directors has oversight over all of the Company's risks and opportunities. However, due to the Company's non-operational status, the Board has not been presented with specific risks and opportunities related to climate.	a) The Company has not identified any climate-related risks and opportunities whether over the short, medium and long term.	a) In the absence of operations, the Company has no established processes for identifying climate related risks and opportunities.	a) The Metrics and targets will be studied, evaluated and applied once the Company becomes operational.

² Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

b) Once applicable, Management will appoint persons in charge of assessing and managing climate-related risks and opportunities.	b) There was no foreseeable impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning for the reporting period.	b) The Company will determine its processes for managing climate-related risks when the need arises.	b) There are currently no targets used by the Company to manage climate-related risks and opportunities and performance against targets.
	c) The Company has no strategy but is still resilient to climate-related risks and opportunities as the same do not directly impact the Company's current non-operational status.	c) The Company is currently non-operational. It has no policy or governance around climate-related risks and opportunities as the same does not directly impact the Company's current non-operational status.	

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	0	0%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Organization does not contribute substantially to the economy of local suppliers. It spends minimally for the procurement of local supplies, hence, the impact is negligible.	No stakeholder is affected.	The Company is on a care and maintain status. Procurement of local supplies is kept at a very minimum.

What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Organization does not contribute substantially to the economy of local suppliers and no risks relating to the topic has been identified.	No stakeholder is affected.	The Company is on a care and maintain status. Procurement of local supplies is kept at a very minimum.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Organization does not contribute substantially to the economy of local suppliers and no risks relating to the topic has been identified.	No stakeholder is affected.	The Company is on a care and maintain status. Procurement of local supplies is kept at a very minimum.

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	0	0%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	0	0%
Percentage of directors and management that have received anti-corruption training	0	0%
Percentage of employees that have received anti-corruption training	0	0%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company is currently non-operational and has no workers in its employ. There is thus no need for anti-corruption trainings or policies. Business partners and directors are expected to be professionals and as such must	There is minimal to no impact on stakeholders as the Company, through its Board of Directors adhere to anti-corruption policies.	Employees are expected to maintain compliance with the letter and spirit of all laws governing the jurisdictions in which they perform their duties. (<i>LIHC Code of Conduct and Ethics, Section 2</i>). Employees may not use their position as an employee of the Company to derive or

have sufficient knowledge on anti-corruption laws and regulations.		secure any personal, financial or other benefit for themselves or their relatives. An employee may not solicit and/or accept any gift or favor from any competitor, supplier or customer except to the extent customary and reasonable in amount and not in consideration for any improper action by the recipient. Finally, the offering or accepting of bribes, payoffs or kickbacks made directly or indirectly to obtain an advantage in a commercial transaction is strictly prohibited. (<i>LIHO Code of Conduct and Ethics, Section 4.1.3</i>).
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The care and maintain status of the Company exposes it to minimal to no risk of corruption. The Company has limited commercial dealings.	No stakeholders are effected.	Management maintains above-board dealings with its service providers to prevent any involvement with corrupt practices.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Company has limited commercial dealings. This minimizes the exposure of the Company to any corrupt practices within the Organization.	When no corporate funds are wasted to corruption investors and shareholders are benefitted.	Management maintains above-board dealings with service providers to prevent any involvement with corrupt practices.

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	0
Number of incidents in which employees were dismissed or disciplined for corruption	0	0
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	0

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The care and maintain status of the Company exposes it to minimal to no risk of corruption. The Company has limited commercial dealings and there was no incident where a director, employee or business partner was terminated due to incidents of corruption.	No stakeholders are affected.	Management maintains above-board dealings with service providers to prevent any involvement with corrupt practices. Under the Company's Code of Business Conduct and Ethics (Section 4.1.3) stated above, the Company implements a general policy against corruption within the Organization.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The care and maintain status of the Company exposes it to minimal to no risk of corruption. The Company has limited commercial dealings.	No stakeholders are affected.	Management maintains above-board dealings with service providers and suppliers to prevent any involvement with corrupt practices. Under the Company's Code of Business Conduct and Ethics (Section 4.1.3) stated above, the Company implements a general policy against corruption within the Organization.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The care and maintain status of the Company exposes it to minimal to no risk of corruption. The Company has limited commercial dealings.	No corporate funds are wasted to corruption the benefitting the investors and shareholders.	Management maintains above-board dealings with service providers to prevent any involvement with corrupt practices.

ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	Nil	GJ
Energy consumption (gasoline)	Nil	GJ
Energy consumption (LPG)	Nil	GJ
Energy consumption (diesel)	Nil	GJ
Energy consumption (electricity)	Nil	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	0	GJ
Energy reduction (LPG)	0	GJ
Energy reduction (diesel)	0	GJ
Energy reduction (electricity)	0	kWh
Energy reduction (gasoline)	0	GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Organization maintains a business office owned by an affiliate and its care and maintenance are performed by outside professionals. There were no expenses incurred for energy, hence, the impact on energy consumption is nil. Consequently, there was no or 0 reported reduction in energy consumption.	The affiliate may be affected but the same cannot be quantified for lack of information.	The Company will continue the current business office set up to minimize costs particularly on energy.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
No risks are identified under the topic	No stakeholder is significantly affected.	The Company will continue the current business office set up to minimize costs particularly on energy.

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The current business office set up minimizes Company costs particularly on energy.	Savings on energy consumption benefit the shareholders and investors.	The Company will continue the current business office set up to minimize costs particularly on energy.

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	Nil	Cubic meters
Water consumption	Nil	Cubic meters
Water recycled and reused	Nil	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Organization maintains a business office owned by an affiliate and its care and maintenance are performed by outside professionals. There were no expenses incurred for water consumption and recycling, hence, their impact is nil.	The affiliate may be affected but the same cannot be quantified for lack of information.	The Company will continue the current business office set up to minimize costs particularly on water consumption.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
No risks are identified under the topic	No stakeholder is significantly affected.	The Company will continue the current business office set up to minimize costs particularly on water consumption.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The current business office set up minimizes Company costs particularly on water consumption.	Savings on water consumption benefit the	The Company will continue the current business office set up to minimize costs particularly on water consumption.

	shareholders and investors.	
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Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
• renewable	Nil	kg/liters
• non-renewable	Nil	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	Nil	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Organization maintains a business office owned by an affiliate and its care and maintenance are performed by outside professionals. There was no significant expense incurred for consumption of materials, hence, impact is nil.	The affiliate may be affected but the same cannot be quantified for lack of information.	The Company will continue the current business office set up to minimize costs particularly on materials consumption.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
No risks are identified under the topic	No stakeholder is significantly affected.	The Company will continue the current business office set up to minimize costs particularly on water consumption.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The current business office set up minimizes Company costs on materials.	Savings on materials benefit the shareholders and investors.	The Company will continue the current business office set up to minimize costs on materials.

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	0	
Habitats protected or restored	0	ha
IUCN ³ Red List species and national conservation list species with habitats in areas affected by operations	0	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company has no operations affecting ecosystems and biodiversity. There are thus no impacts, risks or opportunities relevant to the topic.	No stakeholder is affected.	Cognizant of its responsibility to the environment, the Company strives to conform to all applicable environmental laws and regulations and to promote the respect of the environment in its activities. Employees are expected to support the Company's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment. (<i>LIHC Code of Business Conduct and Ethics, Section 2.4</i>).
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations affecting ecosystems and biodiversity. There are thus no impacts, risks or opportunities relevant to the topic.	No stakeholder is affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.

What are the Opportunity/ies identified?	Which stakeholders are affected?	Management Approach
The Company has no operations affecting ecosystems and biodiversity. There are thus no impacts, risks or opportunities relevant to the topic.	No stakeholders are affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.

³ International Union for Conservation of Nature

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	Nil	Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	Nil	Tonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	Nil	Tonnes

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. Its care and maintenance are performed by outside professionals who do not directly contribute to material environmental impact for and on behalf of the Company. There are thus no impacts, risks or opportunities to report on the topic of air emissions.	No stakeholder is affected.	Cognizant of its responsibility to the environment, the Company strives to conform to all applicable environmental laws and regulations and to promote the respect of the environment in its activities. Employees are expected to support the Company's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment. (<i>LIHC Code of Business Conduct and Ethics, Section 2.4</i>).
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. There are thus no impacts, risks or opportunities relevant to the topic of air emissions.	No stakeholder is affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations. There are thus no impacts, risks or opportunities relevant to the topic of air emissions.	No stakeholder is affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.

Air pollutants

Disclosure	Quantity	Units
NO _x	Nil	kg
SO _x	Nil	kg
Persistent organic pollutants (POPs)	Nil	kg
Volatile organic compounds (VOCs)	Nil	kg
Hazardous air pollutants (HAPs)	Nil	kg
Particulate matter (PM)	Nil	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of air pollutants.	No stakeholder is affected.	Cognizant of its responsibility to the environment, the Company strives to conform to all applicable environmental laws and regulations and to promote the respect of the environment in its activities. Employees are expected to support the Company's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment. (<i>LHC Code of Business Conduct and Ethics, Section 2.4</i>).
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of air pollutants.	No stakeholders are affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations. There is thus no substantial data for determining impacts, risks or opportunities relevant to the topic of air pollutants.	No stakeholder is affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	Nil	kg
Reusable	Nil	kg
Recyclable	Nil	kg
Composted	Nil	kg
Incinerated	Nil	kg
Residuals/Landfilled	Nil	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. Thus, there are no substantial data for determining impacts, risks or opportunities relevant to the topic of solid hazardous wastes.	No stakeholder is affected.	Cognizant of its responsibility to the environment, the Company strives to conform to all applicable environmental laws and regulations and to promote the respect of the environment in its activities. Employees are expected to support the Company's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment. (<i>LIHC Code of Business Conduct and Ethics, Section 2.4</i>).
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of solid hazardous wastes.	No stakeholder is affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of solid hazardous wastes.	No stakeholders is affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	Nil	kg
Total weight of hazardous waste transported	Nil	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of hazardous wastes.	No stakeholders are affected.	Cognizant of its responsibility to the environment, the Company strives to conform to all applicable environmental laws and regulations and to promote the respect of the environment in its activities. Employees are expected to support the Company's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment. (<i>LIHC Code of Business Conduct and Ethics, Section 2.4</i>).
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of hazardous wastes.	No stakeholders are affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of hazardous wastes.	No stakeholders are affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	Nil	Cubic meters
Percent of wastewater recycled	Nil	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of effluents.	No stakeholders are affected.	Cognizant of its responsibility to the environment, the Company strives to conform to all applicable environmental laws and regulations and to promote the respect of the environment in its activities. Employees are expected to support the Company's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment. (<i>LIHC Code of Business Conduct and Ethics, Section 2.4</i>).
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of effluents.	No stakeholders are affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. There are thus no substantial data for determining impacts, risks or opportunities relevant to the topic of effluents.	No stakeholders are affected.	As stated above, the Company follows environmental laws and regulations and will observe and apply the same in the performance of its activities.

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The Company has no operations and has no worker under its employ. For the reporting year, the Company was not in violation of any environmental laws and/or regulations, was not subjected to any monetary fines or sanctions and had no cases resolved through dispute resolution mechanism.	No stakeholders are affected.	Cognizant of its responsibility to the environment, the Company strives to conform to all applicable environmental laws and regulations and to promote the respect of the environment in its activities. Employees are expected to support the Company's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment. (<i>LIHC Code of Business Conduct and Ethics, Section 2.4</i>).
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations. There are no substantial data for determining risks or opportunities relevant to the topic of non-compliance with environmental laws.	No stakeholders are affected.	The Company will follow environmental laws when it becomes operational.

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
The Company has no operations. There are no substantial data for determining opportunities relevant to the topic of non-compliance with environmental laws.	No stakeholders are affected.	The Company will follow environmental laws when it becomes operational.

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ⁴	0	
a. Number of female employees	0	#
b. Number of male employees	0	#
Attrition rate ⁵	0	rate
Ratio of lowest paid employee against minimum wage	0	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	0		
PhilHealth	0		
Pag-ibig	0		
Parental leaves	0		
Vacation leaves	0		
Sick leaves	0		
Medical benefits (aside from PhilHealth))	0		
Housing assistance (aside from Pag-ibig)	0		
Retirement fund (aside from SSS)	0		
Further education support	0		
Company stock options	0		
Telecommuting	0		
Flexible-working Hours	0		
(Others)	0		

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
--	----------------------------

⁴ Employees are individuals who are in an employment relationship with the organization, according to national law or its application (GRI Standards 2016 Glossary)

⁵ Attrition rate = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

The Company has no operations and has no worker under its employ. No data under the topic of Employee Management can be provided.	The Company's Code of Business Conduct and Ethics adheres to the policy that "the most important resource is its employees." (Section 2.7). However, the Company deems it more beneficial that the care and maintain of the Company be provided by outside professionals.
What are the Risk/s Identified?	Management Approach
The Company has no operations and has no worker under its employ. No data for determining risks relevant to the topic of Employee Management, Employee Hiring and Benefits can be provided.	The Company's Code of Business Conduct and Ethics adheres to the policy that "the most important resource is its employees." (Section 2.7). However, the Company deems it more beneficial that the care and maintain of the Company be provided by outside professionals.
What are the Opportunity/ies Identified?	Management Approach
The Company has no operations and has no worker under its employ. No data for determining risks relevant to the topic of Employee Management, Employee Hiring and Benefits can be provided.	The Company's Code of Business Conduct and Ethics adheres to the policy that "the most important resource is its employees." (Section 2.7). However, the Company deems it more beneficial that the care and maintain of the Company be provided by outside professionals.

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	0	hours
b. Male employees	0	hours
Average training hours provided to employees		
a. Female employees	0	hours/employee
b. Male employees	0	hours/employee

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company has no operations and has no worker under its employ. No data for determining the Impact of Employee Training and Development can be provided.	The Company will conduct relevant training for employees when it starts business operations.
What are the Risk/s Identified?	Management Approach
The Company has no operations and has no worker under its employ. No data for assessing the risks of	The Company will conduct relevant training for employees when it conducts business operations.

Employee Training and Development can be provided.	
What are the Opportunity/ies Identified?	Management Approach
The Company has no operations and has no worker under its employ. No data for assessing the opportunities of Employee Training and Development can be provided.	The Company will conduct relevant training for employees when it conducts business operations.

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	%
Number of consultations conducted with employees concerning employee-related policies	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company has no operations and has no worker under its employ. During the reporting period, no collective bargaining agreements nor consultations concerning employee-related policies were undertaken.	The Company will follow relevant labor laws, rules and regulations and will keep a healthy working environment once it commences business operations.
What are the Risk/s Identified?	Management Approach
The Company has no operations and has no worker under its employ. During the reporting period, no collective bargaining agreements nor consultations concerning employee-related policies were undertaken. There are no identifiable risks to be assessed under these topics.	The Company will follow relevant labor laws, rules and regulations and will keep a healthy working environment once it commences business operations.
What are the Opportunity/ies Identified?	Management Approach
The Company has no operations and has no worker under its employ. During the reporting period, no collective bargaining agreements nor consultations concerning employee-related policies were undertaken. There are no identifiable opportunities to be assessed under these topics.	The Company will follow relevant labor laws, rules and regulations and will keep a healthy working environment once it commences business operations.

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	0	%
% of male workers in the workforce	0	%
Number of employees from indigenous communities and/or vulnerable sector*	0	#

*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company has no operations and has no worker under its employ. There is thus no opportunity to observe and implement policies on diversity and equal opportunity in the workforce.	<p>The Company will follow relevant labor laws, rules and regulations and will keep a healthy working environment with equal opportunity and diversity in its workforce once it commences business operations.</p> <p>The Company is committed to ethical and fair business dealings, and promotes a corporate culture which is non-sectarian and non-political and which is 'socially and environmentally responsible. It does this by subscribing to the x x x values and principles of accepting diverse cultures, religions, race, gender and sexual orientation. (<i>Code of Business Conduct and Ethics, Section 1.3</i>).</p>
What are the Risk/s Identified?	Management Approach
No risks may be assessed on the topic of diversity and equal opportunity as the Company currently has no employee.	<p>The Company will follow relevant labor laws, rules and regulations and will keep a healthy working environment with equal opportunity and diversity in its workforce once it commences business operations.</p>
What are the Opportunity/ies Identified?	Management Approach
No opportunity may be assessed on the topic of diversity and equal opportunity as the Company currently has no employee.	<p>The Company will follow relevant labor laws, rules and regulations and will keep a healthy working environment with equal opportunity and diversity in its workforce once it commences business operations.</p>

Workplace Conditions, Labor Standards, and Human Rights
Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	0	Man-hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work related ill-health	0	#
No. of safety drills	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company has no operations and has no worker under its employ. Thus, were no incidents of work-related injuries, fatalities and ill-related health. No safety drills were conducted.	<p>The Company will follow and implement safety measures to protect its workforce against sickness, injuries or death in the workplace once it commences business operations.</p> <p>The Company complies with all applicable health and safety laws and regulations as part of its commitment to providing its employees with a safe and healthy work environment. In this regard, employees are expected to work in a safe manner with due regard for their personal safety as well as that of their co-workers. (<i>Code of Business Conduct and Ethics, Section 2.3</i>).</p>
What are the Risk/s Identified?	Management Approach
The Company has no operations and has no worker under its employ. No risks may be assessed as there were no incidents of work-related injuries, fatalities and ill-related health. No safety drills were conducted.	<p>The Company will follow and implement safety measures to protect its workforce against sickness, injuries or death in the workplace once it commences business operations.</p>
What are the Opportunity/ies Identified?	Management Approach
The Company has no operations and has no worker under its employ. The Company had zero incidents of work-related injuries, fatalities and ill-related health. No safety drills were conducted.	<p>The Company will follow and implement safety measures to protect its workforce against sickness, injuries or death in the workplace once it commences business operations.</p>

Labor Laws and Human Rights

Disclosure:	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	It is the Company's policy to comply with all applicable laws and regulations, including those concerning hours of work, compensation, opportunity, human rights and working conditions. These principles, as well as compliance thereto, implementation and application shall be entrenched in the Employees' Handbook of the Company. (<i>Code of Business Conduct and Ethics, Section 2.7</i>).
Child labor	Y	It is the Company's policy to comply with all applicable laws and regulations, including those concerning hours of work, compensation, opportunity, human rights and working conditions. These principles, as well as compliance thereto, implementation and application shall be entrenched in the Employees' Handbook of the Company. (<i>Code of Business Conduct and Ethics, Section 2.7</i>).
Human Rights	Y	The Company values the diversity of its employees, customers and suppliers and is committed to providing equal treatment in all aspects of the business. Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical, visual or otherwise. The Company will not tolerate any conduct that is discriminatory or harassing or which otherwise compromises an individual's human rights. (<i>Code of Business Conduct and Ethics, Section 2.1</i>).

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Owing to the Company's non-operational status, there were no incidents of forced or child labor and human rights violations within the organization.	The Company, once operational, shall install mechanisms and implement guidelines to guard against forced and child labor and human rights violations within its workforce.

What are the Risk/s Identified?	Management Approach
Owing to the Company's non-operational status, there were no incidents of forced or child labor and human rights violations within the organization. No risks on this topic may be identified and quantified.	The Company, once operational, shall install mechanisms and implement guidelines to guard against forced and child labor and human rights violations within its workforce.
What are the Opportunity/ies Identified?	Management Approach
Owing to the Company's non-operational status, there were no incidents of forced or child labor and human rights violations within the organization. No opportunities on this topic may be identified and quantified.	The Company, once operational, shall install mechanisms and implement guidelines to guard against forced and child labor and human rights violations within its workforce.

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	Y	Employees involved, whether directly or indirectly, in dealing with third parties for and on behalf of the Company shall ensure that business and commercial transactions are carried at arms length with due benefit for the Company. The following are guiding principles in the conduct of transactions involving the Company. X x x Purchase contracts and tender awards must be made on the basis of quality, service, price and availability, within the parameters of any applicable laws. All approved suppliers must be of good standing and selected from a sufficient number of qualified suppliers for comparative purposes. (<i>Code of Business Conduct and Ethics, Section 9</i>).
Forced labor	Y	Employees involved, whether directly or indirectly, in dealing with third parties for and on behalf of the Company shall ensure that business and commercial transactions are carried at arms length with due benefit for the Company. The following are guiding principles in the conduct of transactions involving the Company. X x x Purchase contracts and tender awards must be made on the basis of quality, service, price and availability, within the parameters

		of any applicable laws. All approved suppliers must be of good standing and selected from a sufficient number of qualified suppliers for comparative purposes. (<i>Code of Business Conduct and Ethics, Section 9</i>).
Child labor	Y	Employees involved, whether directly or indirectly, in dealing with third parties for and on behalf of the Company shall ensure that business and commercial transactions are carried at arms length with due benefit for the Company. The following are guiding principles in the conduct of transactions involving the Company. X x x Purchase contracts and tender awards must be made on the basis of quality, service, price and availability, within the parameters of any applicable laws. All approved suppliers must be of good standing and selected from a sufficient number of qualified suppliers for comparative purposes. (<i>Code of Business Conduct and Ethics, Section 9</i>).
Human rights	Y	Employees involved, whether directly or indirectly, in dealing with third parties for and on behalf of the Company shall ensure that business and commercial transactions are carried at arms length with due benefit for the Company. The following are guiding principles in the conduct of transactions involving the Company. X x x Purchase contracts and tender awards must be made on the basis of quality, service, price and availability, within the parameters of any applicable laws. All approved suppliers must be of good standing and selected from a sufficient number of qualified suppliers for comparative purposes. (<i>Code of Business Conduct and Ethics, Section 9</i>).
Bribery and corruption	Y	Employees involved, whether directly or indirectly, in dealing with third parties for and on behalf of the Company shall ensure that business and commercial transactions are carried at arms length with due benefit for the Company. The following are guiding principles in the conduct of transactions involving the Company. X x x Purchase contracts and tender awards must be made on the basis of quality, service, price and availability, within the parameters of any applicable laws. All approved suppliers must be of good standing and selected from a sufficient number of qualified suppliers for comparative purposes. (<i>Code of Business Conduct and Ethics, Section 9</i>).

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The above topics have minimal to no impact on the Company as the service providers have no known incidents of violation relating to said topics.	The Company chooses its service providers and contractors not only on the basis of their performance and expertise but also on their good reputation and standing in the industry in which they belong.
What are the Risk/s Identified?	Management Approach
No risks have been identified as the service providers have no known incidents of violation relating to said topics.	The Company chooses its service providers and contractors not only on the basis of their performance and expertise but also on their good reputation and standing in the industry in which they belong.

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that are particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
NONE	NONE	NONE	NO	NONE	NONE

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _____

Certificates	Quantity	Units
FPIC process is still undergoing	0	#
CP secured	0	#

What are the Risk/s Identified?	Management Approach
There are no identifiable risks as the Company does not operate. Its business address is within Metro Manila and no local community or members of the vulnerable sectors are directly affected.	Should the need arise, the Company will comply with all relevant laws to respect and protect the rights of the community in which the Company will operate as well as those of the vulnerable sectors which may be affected by any future business operations.
What are the Opportunity/ies Identified?	Management Approach
There are no identifiable opportunities as the Company does not operate. Its business address is within Metro Manila and no local community or members of the vulnerable sectors are directly affected.	Should the need arise, the Company will comply with all relevant laws to respect and protect the rights of the community in which the Company will operate as well as those of the vulnerable sectors which may be affected by any future business operations.

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	NONE	N

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company is currently not engaged in business and thus has no product and / or service being offered to the public.	In the event the Company engages in business, it will conduct customer satisfaction surveys to gauge its or its products' acceptability in the

	market as well as risks and opportunities that may be posed by such products.
What are the Risk/s Identified?	Management Approach
The Company is currently not engaged in business and thus has no product and /or service being manufactured or sold. Likewise, there are no risks involved in the topic of customer management.	In the event the Company engages in business, it will conduct customer satisfaction surveys to gauge its or its products' acceptability in the market as well as risks and opportunities that may be posed by such products.
What are the Opportunity/ies Identified?	Management Approach
The Company is currently not engaged in business and thus has no product and /or service being offered to the public. Likewise, there are no opportunities involved in the topic of customer management.	In the event the Company engages in business, it will conduct customer satisfaction surveys to gauge its or its products' acceptability in the market as well as risks and opportunities that may be posed by such products.

Health and Safety

Disclosure:	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company is currently not engaged in business and thus has no product and / or service being manufactured or sold. There is thus no impact insofar as product health and safety are concerned.	In the event the Company engages in business and sells products and / or services, it will implement all measures to ensure that health and safety of the products pass government and industry standards.
What are the Risk/s Identified?	Management Approach
There are no identifiable risks as the Company is not manufacturing or selling any products.	In the event the Company engages in business and sells products, it will implement all measures to ensure that health and safety of the products pass government and industry standards.
What are the Opportunity/ies Identified?	Management Approach

There are no identifiable opportunities as the Company is not manufacturing or selling any products.	In the event the Company engages in business and sells products, it will implement all measures to ensure that health and safety of the products pass government and industry standards.
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Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	0	#

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company is currently not engaged in business and thus has no product and / or services being manufactured or sold. There is no foreseeable impact insofar as marketing and labeling are concerned.	In the event the Company engages in business and sells products, it will implement all measures to ensure that marketing and labeling of the products pass government and industry standards.
What are the Risk/s Identified?	Management Approach
There are no identifiable risks as the Company is not marketing and labeling of any products.	In the event the Company engages in business and sells products, it will implement all measures to ensure that marketing and labeling of the products pass government and industry standards.

What are the Opportunity/ies Identified?	Management Approach
There are no identifiable opportunities as the Company is not marketing and labeling of any products.	In the event the Company engages in business and sells products, it will implement all measures to ensure that marketing and labeling of the products pass government and industry standards.

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	0	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company is currently not engaged in business and thus has no product and/ or service being manufactured or sold. There is no foreseeable impact insofar as customer privacy are concerned. The Company is also not using any information or data of its accountholders / shareholders' for secondary purposes.	The Company follows and implements relevant data privacy laws and shall ensure that the privacy of customers', users' and account holders' data is secure.
What are the Risk/s Identified?	Management Approach
The Company is currently not engaged in business and thus has no current customers. There is no foreseeable risk insofar as customer privacy are concerned. Data and information of shareholders are being handled by BDO Private Bank and there is no reason to believe that said data are being used for secondary purposes.	The Company follows and implements relevant data privacy laws and shall ensure that the privacy of customers', users' and account holders' data is secure.
What are the Opportunity/ies Identified?	Management Approach
There is no foreseeable opportunity insofar as 1) customer privacy complaints and: 2) privacy of data / information of customers, users and account holders are concerned.	The Company follows and implements relevant data privacy laws and shall ensure that the privacy of customers', users' and account holders' data is secure.

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
There has been no breach of data, leaks, theft and losses of data belonging to the Company. There is thus no impact insofar as the topic is concerned.	The Company guards its data through contract services simultaneously performed by reputable professionals and establishments.
What are the Risk/s Identified?	Management Approach
Company data maybe breached, leaked, stolen or lost in the ordinary course of business. This happens in bigger companies with sophisticated systems.	The Company guards its data through contract services simultaneously performed by reputable professionals and establishments who may be to the Company in case of breaches, leaks, theft and losses.
What are the Opportunity/ies Identified?	Management Approach
No opportunity is identifiable insofar as data security is concerned.	The Company guards its data through contract services simultaneously performed by reputable professionals and establishments who may be to the Company in case of breaches, leaks, theft and losses.

ON SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
The Company is not operational at the current time. Though it supports the UN Sustainable Development Goals, it has no product or service that directly contribute to the UN SDGs.	The Company is not operational at the current time. Though it supports the UN Sustainable Development Goals, it has no product or service that directly contribute to the UN SDGs.	The Company is not operational at the current time. Though it supports the UN Sustainable Development Goals, it has no product or service that directly contribute to the UN SDGs.	The Company is not operational at the current time. Though it supports the UN Sustainable Development Goals, it has no product or service that directly contribute to the UN SDGs.

* *None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*

Lodestar Investment Holdings Corporation_SEC Form 17-Q_29June2020

From: LODESTAR INVESTMENT (ilodestar@yahoo.com)
To: ictdsubmission@sec.gov.ph
Cc: cgfd@sec.gov.ph
Bcc: helenemarie_francisco@yahoo.com; jmieanneramores@gmail.com; g_pasion88@yahoo.com
Date: Monday, 29 June 2020, 04:09 pm GMT+8

Gentlemen:

Please find attached SEC 17-Q1 2020 Report of Lodestar Investment Holding Corporation and Notarized Certification. This report is submitted by Lodestar in PDF form.

Please acknowledge receipt.

Thank you.

Delfin S. Castro, Jr.

Treasurer



LIHC 17Q1 2020.pdf

435.6kB



Notarized Certification.pdf

138.2kB

Re: Lodestar Investment Holdings Corporation_SEC Form 17-Q_29June2020

From: ICTD Submission (ictdsubmission+canned.response@sec.gov.ph)

To: ilodestar@yahoo.com

Date: Monday, 29 June 2020, 04:09 pm GMT+8

Dear Customer,

SUCCESSFULLY ACCEPTED

(subject to verification and review of the quality of the attached document)

Thank you.

SEC ICTD.

SEC Registration Number

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Company Name

L	O	D	E	S	T	A	R	I	N	V	E	S	T	M	E	N	T	H	O	L	D	I	N	G	S	
C	O	R	P	O	R	A	T	I	O	N																

Principal Office (No./Street/Barangay/City/Town/Province)

7	F	P	e	a	k	s	u	n	B	u	i	t	d	i	n	g	1	5	0	5	P	r	i	n	c	
t	o	n		S	t	.	,	c	o	r	.	S	h	a	w	,	B	l	v	d	.	,				
B	r	g	y	W	a	c	k	-	W	a	c	k	,	G	r	e	e	n	h	i	l	l	s			
E	a	s	t	,	M	a	n	d	a	l	u	y	o	n	g	C	i	t	y							

Form Type

1	7	Q	1
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	/	A
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COMPANY INFORMATION

Company's Email Address

www.lodestarholdings.com
--

Company's Telephone Number/s

(632)9928-9246

Mobile Number

N/A

No. of Stockholders

61

Annual Meeting

2nd Wednesday of May

Fiscal Year
Month/Day

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person:

Venus L. Gregorio

Email Address

Nitsbeng.gregoriolaw@mydestiny.net

Telephone Number/s

(632) 920-9306

Mobile Number

--

Contact Person's Address

7F Peaksun Bldg., 1505 Princeton St. corner Shaw Blvd., Mandaluyong City
--

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

ANNEX "E"

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 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the quarterly period ended: March 31, 2020
2. SEC Identification Number: 54106
3. BIR Tax Identification No.: 200-751-430-000
4. Exact name of issuer as specified in its charter:

LODESTAR INVESTMENT HOLDINGS CORPORATION

5. Philippines
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. 7th Floor Peaksun Bldg., 1505 Princeton St., Shaw Blvd., Mandaluyong City
Address of principal office
8. (632) 920-9306
Issuer's telephone number, including area code
9. N/A
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
(Par value: ₱0.10)	
Common Shares (issued)	3,000,000,000 ¹
Common Shares (authorized)	3,000,000,000

11. Are any or all of these 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 Common Shares : 640,000,000

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the

¹ Number of issued and outstanding shares based on the records of the Stock and Transfer Agent.

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 []

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

See attached "Annex A"

The Company's financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

This Financial Statements meeting the requirements of SRC Rule 68, is furnished as specified therein.

In this interim period:

- a) There is no known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring the Company to make payments;
- b) There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- c) There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period;
- d) There are no material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures;
- e) There are no 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;
- f) There are no significant elements of income or loss that did not arise from the Company's continuing operations;
- g) No seasonal or cyclical factor that affected this quarter's interim operations.

Item 2. Management's Discussion and Analysis (MD&A) or Plan of Operations

Plan of Operation

Part III, Paragraph (A) of Annex "C" of the Securities Regulation Code under Rule 12 states that the information under subparagraph (2) thereof is required for companies that are operational and had revenues from its operations. In this light, the foregoing information only tackles Part III, Paragraph (A) (1) of Annex "C", insofar as applicable.

Business

On January 3, 1974, Lodestar Mining Corporation (now Lodestar Investment Holdings Corporation) ("LIHC" or the Company") was incorporated in the Philippines and established initially as a mining and natural resources exploration company. The Company was engaged in the development of several gold and chromite mining claims in Masbate, Cebu, Negros Occidental and Palawan.

In 1988, the Company filed an application for listing of its 30,000,000 common shares with the Philippine Stock Exchange ("PSE") formerly known as the Manila and Makati Stock Exchanges. On October 11, 1988, the SEC issued to the Company a Certificate of Permit to Offer Securities for Sale and rendered the Registration Statement to be effective. The Company was able to complete its initial public offering and the listing of the Company's shares was made effective on May 26, 1989.

In October 2003, the name and primary purpose of the Company were changed to reflect a change from a mining company to an investment holding company.

On July 7, 2005, the Board of Directors approved the write-off of the aforementioned mining properties or claims in its financial statement as of June 30, 2005. The mining properties were reviewed as to impairment in accordance with SFAS 36/IAS 36: Impairment of Assets.

On 11 December 2015, during the Annual Stockholders' Meeting of the Company, the shareholders confirmed, ratified and re-adopted the 2009 Stockholders' approval of the increase in the authorized capital stock of LIHC. Said resolution was passed during the 17 December 2009 Annual Meeting wherein shareholders, holding at least 2/3 majority of the outstanding capital stock, voted in favor of the capital increase from one hundred million pesos (₱100,000,000.00) divided into one hundred million (100,000,000) shares at a par value of one Peso (₱1.00) per share to three hundred million Pesos (₱300,000,000.00) divided into three billion (3,000,000,000) shares at the reduced par value of Ten centavos (₱0.10) per share without stockholders' pre-emptive right.

On September 26, 2008, the Board of Directors authorized the Company to enter into a Heads of Agreement with Abacus Consolidated Resources and Holdings, Inc. ("ABACON") and Musx Corporation ("Musx") for the joint acquisition by the Company and Musx of all the outstanding and issued shares of Abacus Coal Exploration and Development Corporation ("ABACOAL") with a sharing arrangement of fifty five percent (55%) for Musx and forty five (45%) for the Company. The Company and Musx have likewise entered into an Agreement for Joint Investment whereby the investment parameters for such investment into ABACOAL were set forth.

On May 21, 2009, the Company executed an Amendment to the Agreement for Joint Investment with Musx Corporation. The amendment primarily consists in the assignment to the Company of Musx's fifty-five percent (55%) interest in ABACOAL subject to the terms and conditions provided in the said agreement. As a result, the Company acquired the right to purchase one hundred percent (100%) of the shares of stock of ABACOAL which necessitated a bigger capital expenditure on the part of the Company.

On May 31, 2009, the Company executed a Memorandum of Agreement with Oriental Vision Mining Corporation ("Oriental") to undertake exploration and development activities of the coal properties of ABACOAL. Under the agreement, Oriental shall develop and operate the Coal Property and pay the Company a royalty fee of Eight Percent (8%) of gross coal price per ton based on FOB loaded to vessel.

On July 21, 2015, the Company entered into Cancellation of the Heads of Agreement, Amended Heads of Agreement and Allied Contracts with Abacus Consolidated Resources Holdings, Inc. (ABACORE) and Abacus Coal Exploration and Development Corporation (ABACOAL). The cancellation was necessitated by the fact that the Merger with ABACOAL was not approved by LIHC.

shareholders for lack of quorum during the Annual Shareholder's Meeting called for the three (3) years prior.

The Company thus, no longer has any contractual interest over ABACOAL as a result of the cancellation of other Heads of Agreement and its allied contracts.

On October 25, 2016, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Mr. Nathaniel C. Go for the subscription, via private placement, to two hundred sixty million (260,000,000) shares at the subscription price of ten centavos (₱0.10) per share. The subscribed shares were issued from the Company's current authorized capital stock of one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share. Likewise, on the same date, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Ms. Socorro P. Lim, for the subscription, via private placement, to two billion (2,000,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares were issued from the increase in the Company's authorized capital stock from one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share to three hundred million pesos (₱300,000,000.00) consisting of three billion (3,000,000,000) common shares, with a par value of ten centavos (₱0.10) per share.

On December 8, 2016, the stockholders representing approximately 67.23 % of the outstanding capital stock of the Company affirmed, ratified and re-adopted the increase in the authorized capital stock of the Company which was approved by the Board of Directors on November 6, 2009 and by shareholders owning and representing more than 2/3 of the authorized capital stock on December 17, 2009. The stockholders in the same manner, approved the sales and issuance of a total of two billion two hundred sixty million (2,260,000,000) common shares, listing of said shares in the Philippine Stock Exchange ("PSE") and waiver of the requirement to conduct a rights or public offering of the shares approved by a majority vote representing the outstanding shares held by the minority present or represented in said meeting.

On June 14, 2017, the Securities and Exchange Commission approved the increase of the Company's authorized capital stock.

Business Plan:

Still in line with the primary purpose of the Company as a holdings corporation, business outlook for 2020 is geared towards looking for other business ventures. Thus, the Company may again tap into various sources to look for opportunities in the various business sectors that are viable, growing and profitable. The Company's strategy will be to invest, buy-in or acquire businesses where the Company will at least own a significant stake or interest in the investee Company's outstanding capital. The said investment amount will allow the Company to recognize its proportionate share of the equitized earnings from its investee companies.

The Company with the approval of the SEC, implemented an increase in its Authorized Capital. This capital raising plan is intended to provide the Company investable funds and working capital for prospective projects. Specifics of such deals, if any, will be properly disclosed in accordance with the continuing disclosure requirements of the SEC and the PSE.

Likewise, the Company's cash requirements were satisfied from the proceeds/collection of Advances from stockholders and the proceeds of private placements with investors.

Management's Discussion and Analysis for the Interim Period Ended September 30, 2019 as compared with September 30, 2018:

Revenues

The Company did not earn any revenue during the three-month period ended March 31, 2020 as it has not undertaken commercial operations.

Expenses

Expenses went down by ₦ 25.47 thousand or 6.39% from ₦ 398.49 thousand in March 2019 to ₦373.02 thousand in March 2020. The decrease was attributed mainly to lower expenses incurred during the period.

Net Loss

After deducting interest income from regular savings account, the Company posted a net loss of ₦ 329.55 thousand for the interim period ended March 2020 which is 7.75% or ₦ 27.68 thousand lower as compared to net loss of ₦ 357.23 thousand incurred for the same period in 2019.

Financial Condition

The Company's Total Assets comprising of Current Assets amount to ₦ 241.18 million which is 0.17% or ₦ 414.33 thousand higher than that of March 31, 2019 balance amounting to ₦240.77 million.

The Company's Total Liabilities increased by ₦ 554.03 thousand or 125.02% from ₦443.15 thousand in March 2019 to ₦ 997.18 thousand in March 2020.

Stockholders' equity posted a 0.06% or ₦ 139.69 thousand decrease from ₦240.32 million in March 2019 to ₦240.18 million in March 2020, attributable mainly to higher expenses incurred during the period.

Material Changes to the Company's pro-forma Balance Sheet as of March 31, 2020 as compared with pro-forma Balance Sheet as of March 31, 2019 (increase/decrease of 5 % or more)

33.20 % or ₦ 585 thousand decrease in advances to a stockholder from ₦ 1.76 million in March 2019 to ₦1.18 million in March 2020. This is due to collections received.

125.02% or ₦ 554.03 thousand increase in liabilities from ₦ 443.15 thousand in March 2019 to ₦ 997.18 thousand in March 2020 due to accrual of legal fees.

Key Performance Indicators

Considering the Company's non-operational status, the key performance indicators of the Company are as follows:	March 31, 2020	March 31, 2019
Current Ratio (1)	241.86x	543.31x
Quick Ratio (2)	237.26x	531.79x
Debt-equity ratio (3)	0.00415x	0.0018x
Book value per share (4)	0.08x	0.08x
Net Profit Margin (5)	NA	NA

(1) Current Assets / Current Liabilities

March 2020	(₦ 241,181,956 / ₦ 997,178)
March 2019	(₦ 240,767,622 / ₦ 443,152)

(2) Cash / Current Liabilities

March 2020	(₦ 236,594,558 / ₦ 997,178)
March 2019	(₦ 235,664,316 / ₦ 443,152)

(3) Debt / Equity

March 2020	(₦ 997,178 / ₦240,184,778)
March 2019	(₦ 443,152 / ₦240,324,471)

(4) Equity /Subscribed Shares

March 2020	(₦240,184,778 / 3,000,000,000)
March 2019	(₦240,324,471 / 3,000,000,000)

The Current Ratio is the general measure of a company's liquidity. It represents the ratio of all current assets to all current liabilities. It is sometimes called the "Working Capital Ratio" because working capital is the excess of current assets over current liabilities.

The Quick Ratio is another measure of a company's liquidity. It is used to measure a company's ability to pay its liabilities using assets that are cash or very liquid. Since the Company does not have any marketable securities and accounts receivables, the computation of this ratio was based on cash alone. Quick ratio for the current period is higher as compared to the same period of last year.

The Debt to Equity Ratio is a measure of leverage, or the relative amount of funds provided by lenders and owners. This measures the amount of debt being used by the Company. The ratio for the current period is higher as compared with that of last year due to accrual of legal fees.

Book value Per Share is a measure of stockholders' equity. It represents the difference between total assets and total liabilities divided by the total number of shares outstanding.

Net Profit Margin Ratio related to the profits of a company to its sales, assets or equity. It indicates the rate of profit from sales and other revenues. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

Additional Financial Soundness Indicators

	March 31, 2020	March 31, 2019
Asset to equity ratio (1)	1.00x	1.00x
Interest Rate coverage ratio (2)	NA	NA
Gross Profit Margin (3)	NA	NA

<i>(1) Total Assets / Total Equity</i>	
March 2020	(₱ 241,181,956 / ₱ 240,184,778)
March 2019	(₱ 240,767,622 / ₱ 240,324,471)
<i>(2) Income before Interest and Taxes / Interest Expense</i>	
March 2020	N/A
March 2019	N/A
<i>(3) Gross Profit / Sales</i>	
March 2020	N/A
March 2019	N/A

Asset to Equity ratio measures the financial leverage and long term solvency of the Company. It is derived by dividing the total asset from its total equity.

Interest Coverage Ratio determines how easily a company can pay interest on outstanding debt. The Company did not incur any interest on its advances.

Gross Profit Margin is derived by dividing gross profit by the sales. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

PART II – OTHER INFORMATION

There are no contingent liabilities or contingent assets or known trend and events that may materially affect the company's operation nor are there estimates of amounts reported in prior periods that may have a material effect on the attached financial statements.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in Mandaluyong City on June 09, 2020.

By:


CHI HO OO
President


DELFIN S. CASTRO, JR.
Treasurer

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF FINANCIAL POSITION

" ANNEX A"

	Notes	Unaudited March 31, 2020	Audited December 31, 2019
ASSETS			
Current Assets			
Cash and cash equivalents	P	236,594,558	236,853,407
Due from related parties		1,177,076	1,562,076
Other current assets		3,410,322	3,406,149
	P	241,181,956	241,821,632
LIABILITIES & STOCKHOLDERS' EQUITY			
Liabilities			
Accounts payable and accrued expenses	3 P	997,178	1,307,306
Total Liabilities		997,178	1,307,306
Stockholder's Equity			
Capital Stock - P0.10 par value	4	300,000,000	300,000,000
Additional Paid-In Capital		65,714,858	65,714,858
Deficit		(125,530,080)	(125,200,532)
Total Stockholders' Equity		240,184,778	240,514,326
	P	241,181,956	241,821,632

LODESTAR INVESTMENT HOLDINGS CORPORATION
 STATEMENTS OF INCOME
 (Unaudited)

	January 1 to March 31, 2020	January 1 to March 31, 2019
REVENUES	P	P
EXPENSES	373,018	398,492
INCOME (LOSS) BEFORE OTHER LOSSES	(373,018)	(398,492)
INTEREST INCOME	43,471	41,262
<u>NET INCOME (LOSS)</u>	<u>P</u>	<u>P</u>
NUMBER OF COMMON SHARES	3,000,000,000.00	3,000,000,000
Loss Per Share	(0.000)	(0.000)

Note: No dividends declared during the period

**LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF CHANGES IN EQUITY**

	Unaudited March 31, 2020	Audited Dec. 31, 2019	Unaudited March 31, 2019	Audited Dec. 31, 2018
CAPITAL STOCK - P 0.10 par value				
Beginning Balance	P 300,000,000	P 300,000,000	P 300,000,000	P 300,000,000
Additional Subscription				
Balance at end of period	P 300,000,000	P 300,000,000	P 300,000,000	P 300,000,000
ADDITIONAL PAID-IN CAPITAL				
Beginning Balance	P 65,714,858	P 65,714,858	P 65,714,858	P 65,714,858
Subscribed				
Balance at end of period	P 65,714,858	P 65,714,858	P 65,714,858	P 65,714,858
DEPOSIT FOR FUTURE SUBSCRIPTION	-	-	-	-
DEFICIT				
Beginning Balance	P (125,200,532)	P (125,033,157)	P (125,033,157)	P (124,792,250)
Net Income (loss)	(329,547)	(167,375)	(357,230)	(240,907)
Balance at end of period	P (125,530,080)	P (125,200,532)	P (125,390,387)	P (125,033,157)
STOCKHOLDERS' EQUITY, END	P 240,184,778	P 240,514,326	P 240,324,471	P 241,681,701

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF CASH FLOWS
(Uaudited)

	<u>January 1 to March 31, 2020</u>	<u>January 1 to March 31, 2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	P (329,547)	P (357,232)
Adjustment for:		
Interest Income	(43,471)	(41,260)
Net loss before working capital changes	(373,018)	(398,491)
Adjustment to reconcile net loss to net cash provided by operating activities		
Changes in operating assets and liabilities		
Decrease (increase) in :		
Other current assets	(4,174)	(47,511)
Increase (decrease) in :		
Accounts payable and accrued expenses	(310,128)	(1,705,224)
Net cash provided by operating activities	(687,320)	(2,151,226)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	43,471	41,260
Disposals (acquisitions) of property and equipment	-	-
Net cash used in investing activities	43,471	41,260
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment (Collection) from a stockholder	385,000	280,000
Receipts of payment of subscription to capital stocks	-	-
Net cash provided by (used in) financing activities	385,000	280,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(258,849)	(1,829,966)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	236,853,407	237,494,282
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P 236,594,558	P 235,664,316

LODESTAR INVESTMENT HOLDINGS CORPORATION
NOTES TO FINANCIAL STATEMENT

1. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements are prepared in accordance with the Philippine Financial Reporting Standards. The company has followed the same accounting policies and methods of computation used with the most recent annual financial statement. No new accounting policy has been adopted for this interim report.

2. RELATED PARTY TRANSACTIONS

In 2012, the Company granted non-interest bearing advances to a stockholder for working capital purposes. The advances to the stockholder are unsecured and are due and demandable anytime. These advances are generally settled in cash.

As at March 31, 2020, based on management's assessment, the outstanding balance of the Company's advances to a stockholder amounting to ₱1,177,076 is not impaired, hence, no impairment loss is recognized.

3. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

This account consists of accrued expenses which represent expenses continuously incurred for maintaining the operational and listing status of the Company with the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE). This is composed of legal fees, audit fees and withholding taxes.

4. CAPITAL STOCK

To address the Company's liquidity shortfalls and raise the needed fund for investment into Abacoal, the Company increased its authorized capital stock from Fifty Million Pesos (₱50,000,000.00) divided into Fifty Million (50,000,000) shares to One Hundred Million Pesos (₱100,000,000.00) divided into One Hundred Million (100,000,000) shares, both with a par value of One Peso (₱1.00) per share. The capital increase was approved by the Securities and Exchange Commission on 30 July 2009. To fund the capital increase, the Company entered into private placement transactions with several investors at the price of ₱1.20 per share. Full payment was made to the Company during the first quarter of 2010. Said shares were approved by the Philippine Stock Exchange for listing on July 14, 2010.

On November 6, 2009, the Company entered into a set of investment agreements with various investors where the investors subscribed, by way of private placement, to 10 million common shares of stock. The shares were subscribed at a price of ₱5.05 per share or for a total of ₱50.5 million. The transaction was approved by the BOD on September 14, 2009 and the gross investment amount was fully paid in March 2011. Listing application for such shares is currently pending with the PSE.

On October 25, 2016, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Mr. Nathaniel C. Go for the subscription,

via private placement, to two hundred sixty million (260,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares was issued from the Company's current authorized capital stock of one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share. On the same date, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Ms. Socorro P. Lim, for the subscription, via private placement, to two billion (2,000,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares was issued from the increase in the Company's authorized capital stock from one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share to three hundred million pesos (₱300,000,000.00) consisting of three billion (3,000,000,000) common shares, with a par value of ten centavos (₱0.10) per share.

On December 8, 2016, the stockholders representing approximately 67.23 % of the outstanding capital stock of the Company affirmed, ratified and re-adopted the increase in the authorized capital stock of the Company approved by the Board of Directors and by shareholders owning and representing more than 2/3 of the authorized capital stock on on November 6, 2009 and December 17, 2009 respectively. The stockholders, in the same manner, approved the sales and issuance of a total of two billion two hundred sixty million (2,260,000,000) common shares, listing of said shares in the Philippine Stock Exchange ("PSE") and waiver of the requirement to conduct a rights or public offering of the shares approved by a majority vote representing the outstanding shares held by the minority present or represented in said meeting.

On June 14, 2017, the Securities and Exchange Commission approved the increase in the Company's authorized capital stock.

5. RISK MANAGEMENT

The Company has continues to be non-operational as of March 31, 2020. It is not exposed to significant financial risk, except for credit risk of its cash in bank and advances to stockholder, and liquidity risk related to its accounts payable. The minimum credit risk exposure of the Company of the company as of March 31, 2020 and December 31, 2019 amounted to ₱ 237,771,634 and ₱ 238,415,483, respectively, representing cash and advances to a stockholder. For cash, management believes that the credit risk is negligible because the counterparty is a reputable bank.

The Company has no significant exposure to foreign currency risk since it has no financial assets and financial liabilities that are denominated in foreign currency.

6. FINANCIAL INSTRUMENTS

6.1 Carrying Amounts and Fair Values By Category

The Company has no financial instruments carried at fair value. For its financial assets and financial liabilities as of March 31, 2020 and December 31, 2019 that are carried at amortized cost, management has determined their carrying amounts approximate or equal their fair values due to their short-term nature. Accordingly, a comparison of their carrying values and fair values is no longer presented.

6.2 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset and liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

6.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed.

The carrying values of the Company's financial instruments carried at amortized cost approximate or equal their fair values, accordingly, no further analysis of fair value in the hierarchy is presented. Nevertheless, among them, on cash is considered Level 1; all the rest are determined to be Level 3 in the fair value hierarchy.

7. OTHERS

- a. These financial reports are prepared in compliance with the quarterly reportorial requirements of the SEC.
- b. There were no material transactions affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidents.
- c. There were no subsequent material events not reflected in this interim financial statement.
- d. There were no material contingencies and any other events or transactions that are material to the understanding of the interim report.

Acknowledgement Notice Re: Lodestar Investment Holdings Corporation_SEC Form 17-Q_12August2020

From: ICTD Submission (ictdsubmission@sec.gov.ph)

To: ilodestar@yahoo.com

Date: Wednesday, 12 August 2020, 02:28 pm GMT+8

Dear Customer,

SUCCESSFULLY ACCEPTED
(subject to verification and review of the quality of the attached document)

Thank you.

SEC ICTD.

SEC Registration Number

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Company Name

L	O	D	E	S	T	A	R	I	N	V	E	S	T	M	E	N	T	H	O	L	D	I	N	G	S			
C	O	R	P	O	R	A	T	I	O	N																		

Principal Office (No./Street/Barangay/City/Town/Province)

7	F	P	e	a	k	s	u	n	B	u	i	l	d	i	n	g	1	5	0	5	P	r	i	n	c			
t	o	n		S	t	.	,	c	o	r	.	S	h	a	w	,	B	l	v	d	.	,						
B	r	g	y	W	a	c	k	-	W	a	c	k	,	G	r	e	e	n	h	i	l	l	s					
E	a	s	t	,	M	a	n	d	a	l	u	y	o	n	g	C	i	t	y									

Form Type

1	7	Q	2
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	/	A
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COMPANY INFORMATION

Company's Email Address

www.lodestarholdings.com
--

Company's Telephone Number/s

(632) 928-9246

Mobile Number

N/A

No. of Stockholders

60

Annual Meeting

2nd Wednesday of May

Fiscal Year
Month/Day

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Venus L. Gregorio

Email Address

Nitsbeng.gregoriolaw@mydestiny.net

Telephone Number/s

(632) 920-9306

Mobile Number

--

Contact Person's Address

7F Peaksun Bldg., 1505 Princeton St. corner Shaw Blvd., Mandaluyong City
--

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

ANNEX "F"

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 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the quarterly period ended: June 30, 2020
2. SEC Identification Number: 54106 3. BIR Tax Identification No.: 200-751-430-000
4. Exact name of issuer as specified in its charter:

LODESTAR INVESTMENT HOLDINGS CORPORATION

5. Philippines
Province, Country or other jurisdiction of incorporation or organization
6.  (SEC Use Only)
Industry Classification Code:
7. 7th Floor Peaksun Bldg., 1505 Princeton St., Shaw Blvd., Mandaluyong City
Address of principal office 1555
Postal Code
8. (632) 8920-9306
Issuer's telephone number, including area code
9. N/A
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class (Par value: ₱0.10)	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares (Issued)	<u>3,000,000,000¹</u>
Common Shares (authorized)	<u>3,000,000,000</u>

11. Are any or all of these 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 Common Shares : 640,000,000

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the

¹ Number of issued and outstanding shares based on the records of the Stock and Transfer Agent.

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 []

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

See attached "Annex A"

The Company's financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

This Financial Statements meeting the requirements of SRC Rule 68, is furnished as specified therein.

In this interim period:

- a) There is no known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring the Company to make payments;
- b) There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- c) There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period;
- d) There are no material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures;
- e) There are no 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;
- f) There are no significant elements of income or loss that did not arise from the Company's continuing operations;
- g) No seasonal or cyclical factor that affected this quarter's interim operations.

Item 2. Management's Discussion and Analysis (MD&A) or Plan of Operations

Plan of Operation

Part III, Paragraph (A) of Annex "C" of the Securities Regulation Code under Rule 12 states that the information under subparagraph (2) thereof is required for companies that are operational and had revenues from its operations. In this light, the foregoing information only tackles Part III, Paragraph (A) (1) of Annex "C", insofar as applicable.

Business

On January 3, 1974, Lodestar Mining Corporation (now Lodestar Investment Holdings Corporation) ("LIHC" or the Company") was incorporated in the Philippines and established initially as a mining and natural resources exploration company. The Company was engaged in the development of several gold and chromite mining claims in Masbate, Cebu, Negros Occidental and Palawan.

In 1988, the Company filed an application for listing of its 30,000,000 common shares with the Philippine Stock Exchange ("PSE") formerly known as the Manila and Makati Stock Exchanges. On October 11, 1988, the SEC issued to the Company a Certificate of Permit to Offer Securities for Sale and rendered the Registration Statement to be effective. The Company was able to complete its initial public offering and the listing of the Company's shares was made effective on May 26, 1989.

In October 2003, the name and primary purpose of the Company were changed to reflect a change from a mining company to an investment holding company.

On July 7, 2005, the Board of Directors approved the write-off of the aforementioned mining properties or claims in its financial statement as of June 30, 2005. The mining properties were reviewed as to impairment in accordance with SFAS 36/IAS 36: Impairment of Assets.

On 11 December 2015, during the Annual Stockholders' Meeting of the Company, the shareholders confirmed, ratified and re-adopted the 2009 Stockholders' approval of the increase in the authorized capital stock of LIHC. Said resolution was passed during the 17 December 2009 Annual Meeting wherein shareholders, holding at least 2/3 majority of the outstanding capital stock, voted in favor of the capital increase from one hundred million pesos (₱100,000,000.00) divided into one hundred million (100,000,000) shares at a par value of one Peso (₱1.00) per share to three hundred million Pesos (₱300,000,000.00) divided into three billion (3,000,000,000) shares at the reduced par value of Ten centavos (₱0.10) per share without stockholders' pre-emptive right.

On September 26, 2008, the Board of Directors authorized the Company to enter into a Heads of Agreement with Abacus Consolidated Resources and Holdings, Inc. ("ABACON") and Musx Corporation ("Musx") for the joint acquisition by the Company and Musx of all the outstanding and issued shares of Abacus Coal Exploration and Development Corporation ("ABACOAL") with a sharing arrangement of fifty five percent (55%) for Musix and forty five (45%) for the Company. The Company and Musx have likewise entered into an Agreement for Joint Investment whereby the investment parameters for such investment into ABACOAL were set forth.

On May 21, 2009, the Company executed an Amendment to the Agreement for Joint Investment with Musx Corporation. The amendment primarily consists in the assignment to the Company of Musx's fifty-five percent (55%) interest in ABACOAL subject to the terms and conditions provided in the said agreement. As a result, the Company acquired the right to purchase one hundred percent (100%) of the shares of stock of ABACOAL which necessitated a bigger capital expenditure on the part of the Company.

On May 31, 2009, the Company executed a Memorandum of Agreement with Oriental Vision Mining Corporation ("Oriental") to undertake exploration and development activities of the coal properties of ABACOAL. Under the agreement, Oriental shall develop and operate the Coal Property and pay the Company a royalty fee of Eight Percent (8%) of gross coal price per ton based on FOB loaded to vessel.

On July 21, 2015, the Company entered into Cancellation of the Heads of Agreement, Amended Heads of Agreement and Allied Contracts with Abacus Consolidated Resources Holdings, Inc. (ABACORE) and Abacus Coal Exploration and Development Corporation (ABACOAL). The cancellation was necessitated by the fact that the Merger with ABACOAL was not approved by LIHC

shareholders for lack of quorum during the Annual Shareholder's Meeting called for the three (3) years prior.

The Company thus, no longer has any contractual interest over ABACOAL as a result of the cancellation of other Heads of Agreement and its allied contracts.

On October 25, 2016, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Mr. Nathaniel C. Go for the subscription, via private placement, to two hundred sixty million (260,000,000) shares at the subscription price of ten centavos (₱0.10) per share. The subscribed shares were issued from the Company's current authorized capital stock of one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share. Likewise, on the same date, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Ms. Socorro P. Lim, for the subscription, via private placement, to two billion (2,000,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares were issued from the increase in the Company's authorized capital stock from one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share to three hundred million pesos (₱300,000,000.00) consisting of three billion (3,000,000,000) common shares, with a par value of ten centavos (₱0.10) per share.

On December 8, 2016, the stockholders representing approximately 67.23% of the outstanding capital stock of the Company affirmed, ratified and re-adopted the increase in the authorized capital stock of the Company which was approved by the Board of Directors on November 6, 2009 and by shareholders owning and representing more than 2/3 of the authorized capital stock on December 17, 2009. The stockholders in the same manner, approved the sales and issuance of a total of two billion two hundred sixty million (2,260,000,000) common shares, listing of said shares in the Philippine Stock Exchange ("PSE") and waiver of the requirement to conduct a rights or public offering of the shares approved by a majority vote representing the outstanding shares held by the minority present or represented in said meeting.

On June 14, 2017, the Securities and Exchange Commission approved the increase of the Company's authorized capital stock.

Business Plan:

Still in line with the primary purpose of the Company as a holdings corporation, business outlook for 2020 is geared towards looking for other business ventures. Thus, the Company may again tap into various sources to look for opportunities in the various business sectors that are viable, growing and profitable. The Company's strategy will be to invest, buy-in or acquire businesses where the Company will at least own a significant stake or interest in the investee Company's outstanding capital. The said investment amount will allow the Company to recognize its proportionate share of the equitized earnings from its investee companies.

The Company with the approval of the SEC, implemented an increase in its Authorized Capital. This capital raising plan is intended to provide the Company investable funds and working capital for prospective projects. Specifics of such deals, if any, will be properly disclosed in accordance with the continuing disclosure requirements of the SEC and the PSE.

Likewise, the Company's cash requirements were satisfied from the proceeds/collection of Advances from stockholders and the proceeds of private placements with investors.

Management's Discussion and Analysis for the Interim Period Ended June 30, 2020 as compared with June 30, 2019:

Revenues

The Company did not earn any revenue during the six-month period ended June 30, 2020 as it has not undertaken commercial operations.

Expenses

Expenses went down by ₦ 31.17 thousand or 6.44% from ₦ 483.80 thousand in June 2019 to ₦ 452.62 thousand in June 2020. The decrease was attributed mainly to lower expenses incurred during the period.

Net Loss

After deducting interest income from regular savings account, the Company posted a net loss of ₦ 408.92 thousand for the interim period ended June 2020 which is 7.75% or ₦ 33.41 thousand lower as compared to net loss of ₦ 442.33 thousand incurred for the same period in 2019.

Financial Condition

The Company's Total Assets comprising of Current Assets amount to ₦ 240.92 million which is 0.27% or ₦ 659.04 thousand higher than that of June 30, 2019 balance amounting to ₦ 240.26 million.

The Company's Total Liabilities increased by ₦ 793 thousand or 3,223.86% from ₦ 24.60 thousand in June 2019 to ₦ 817.60 thousand in June 2020.

Stockholders' equity posted a 0.06% or ₦ 133.97 thousand decrease from ₦ 240.24 million in June 2019 to ₦ 240.11 million in June 2020, attributable mainly to expenses incurred during the period.

Material Changes to the Company's pro-forma Balance Sheet as of June 30 2020 as compared with pro-forma Balance Sheet as of June 30, 2019 (increase/decrease of 5 % or more)

35.47 % or ₦ 625 thousand decrease in advances to a stockholder from ₦ 1.76 million in June 2019 to ₦ 1.14 million in June 2020. This is due to collections received.

3,223.86% or ₦ 793.01 thousand increase in liabilities from ₦ 24 thousand in June 2019 to ₦ 817.60 thousand in June 2020 due to accrual of legal fees.

Key Performance Indicators

Considering the Company's non-operational status, the key performance indicators of the Company are as follows:	June 30, 2020	June 30, 2019
Current Ratio (1)	294.67x	9,767.62x
Quick Ratio (2)	289.11x	9,560.63x
Debt-equity ratio (3)	0.003x	0.0001x
Book value per share (4)	0.08x	0.08x
Net Profit Margin (5)	NA	NA

(1) Current Assets / Current Liabilities

June 2020	(₦ 240,923,006 / ₦ 817,603)
June 2019	(₦ 240,263,970 / ₦ 24,598)

(2) Cash / Current Liabilities

June 2020	(₦ 236,375,608 / ₦ 817,603)
June 2019	(₦ 235,172,373 / ₦ 24,598)

(3) Debt / Equity

June 2020	(₦ 817,603 / ₦ 240,105,403)
June 2019	(₦ 24,598 / ₦ 240,239,372)

(4) Equity / Subscribed Shares

June 2020	(₦ 240,105,403 / 3,000,000,000)
June 2019	(₦ 240,239,372 / 3,000,000,000)

The Current Ratio is the general measure of a company's liquidity. It represents the ratio of all current assets to all current liabilities. It is sometimes called the "Working Capital Ratio" because working capital is the excess of current assets over current liabilities.

The Quick Ratio is another measure of a company's liquidity. It is used to measure a company's ability to pay its liabilities using assets that are cash or very liquid. Since the Company does not have any marketable securities and accounts receivables, the computation of this ratio was based on cash alone. Quick ratio for the current period is lower as compared to the same period of last year.

The Debt to Equity Ratio is a measure of leverage, or the relative amount of funds provided by lenders and owners. This measures the amount of debt being used by the Company. The ratio for the current period is higher as compared with that of last year due to accrual of legal fees.

Book value Per Share is a measure of stockholders' equity. It represents the difference between total assets and total liabilities divided by the total number of shares outstanding.

Net Profit Margin Ratio related to the profits of a company to its sales, assets or equity. It indicates the rate of profit from sales and other revenues. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

Additional Financial Soundness Indicators

	June 30, 2020	June 30, 2019
Asset to equity ratio (1)	1.00x	1.00x
Interest Rate coverage ratio (2)	NA	NA
Gross Profit Margin (3)	NA	NA

(1) Total Assets / Total Equity
 June 2020 (P 240,923,006 / P240,105,403)
 June 2019 (P 240,263,970 / P240,239,372)

(2) Income before Interest and Taxes / Interest Expense
June 2020 N/A
June 2019 N/A

(3) Gross Profit / Sales
June 2020 N/A
June 2019 N/A

Asset to Equity ratio measures the financial leverage and long term solvency of the Company. It is derived by dividing the total asset from its total equity.

Interest Coverage Ratio determines how easily a company can pay interest on outstanding debt. The Company did not incur any interest on its advances.

Gross Profit Margin is derived by dividing gross profit by the sales. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

PART II – OTHER INFORMATION

There are no contingent liabilities or contingent assets or known trend and events that may materially affect the company's operation nor are there estimates of amounts reported in prior periods that may have a material effect on the attached financial statements.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in Mandaluyong City on August 05, 2020.

By:



ANTONIO VICTORIA
Chairman and President



DELFIN S. CASTRO, JR.
Treasurer

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF FINANCIAL POSITION

" ANNEX A"

	Notes	Unaudited June 30, 2020	Audited December 31, 2019
ASSETS			
Current Assets			
Cash and cash equivalents		₱ 236,375,608	₱ 236,853,407
Due from related parties		1,137,076	1,562,076
Other current assets		3,410,322	3,406,149
		₱ 240,923,006	₱ 241,821,632
LIABILITIES & STOCKHOLDERS' EQUITY			
Liabilities			
Accounts payable and accrued expenses	3	₱ 817,603	₱ 1,307,306
Total Liabilities		817,603	1,307,306
Stockholder's Equity			
Capital Stock - P0.10 par value	4	300,000,000	300,000,000
Additional Paid-In Capital		65,714,858	65,714,858
Deficit		(125,609,455)	(125,200,532)
Total Stockholders' Equity		240,105,403	240,514,326
		₱ 240,923,006	₱ 241,821,632

**LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF INCOME
(Unaudited)**

	April 1 to June 30, 2020 (Three Months)	January 1 to June 30, 2020 (Six Months)	April 1 to June 30, 2019 (Three Months)	January 1 to June 30, 2019 (Six Months)
REVENUES	P	P	P	P
EXPENSES	79,605	452,623	85,304	483,795
INCOME (LOSS) BEFORE OTHER LOSSES	(79,605)	(452,623)	(85,304)	(483,795)
INTEREST INCOME	230	43,701	206	41,466
NET INCOME (LOSS)	P (79,375)	P (408,923)	P (85,098)	P (442,329)
NUMBER OF COMMON SHARES	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Loss Per Share	(0.000)	(0.000)	(0.000)	(0.000)

Note: No dividends declared during the period

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF CHANGES IN EQUITY

		Unaudited June 30, 2020	Audited Dec. 31, 2019		Unaudited June 30, 2019	Audited Dec. 31, 2018
CAPITAL STOCK - P 0.10 par value						
Beginning Balance	P	300,000,000	P	300,000,000	P	300,000,000
Additional Subscription						
Balance at end of period	P	300,000,000	P	300,000,000	P	300,000,000
ADDITIONAL PAID-IN CAPITAL						
Beginning Balance	P	65,714,858	P	65,714,858	P	65,714,858
Subscribed						
Balance at end of period	P	65,714,858	P	65,714,858	P	65,714,858
DEPOSIT FOR FUTURE SUBSCRIPTION		-	-	-	-	-
DEFICIT						
Beginning Balance	P	(125,200,532)	P	(125,033,157)	P	(124,792,250)
Net Income (loss)		(408,923)		(167,375)		(442,329)
Balance at end of period	P	(125,609,455)	P	(125,200,532)	P	(125,033,157)
STOCKHOLDERS' EQUITY, END	P	240,105,403	P	240,514,326	P	240,681,701

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF CASH FLOWS
(Uaudited)

	April 1 to June 30, 2020 (Three Months)	January 1 to June 30, 2020 (Six Months)	April 1 to June 30, 2019 (Three Months)	January 1 to June 30, 2019 (Six Months)
CASH FLOWS FROM OPERATING ACTIVITIES				
Income (loss) before income tax	P (79,375)	P (408,923)	P (85,098)	P (442,329)
Adjustment for:				
Interest Income	(230)	(43,701)	(206)	(41,466)
Net loss before working capital changes	(79,605)	(452,624)	(85,304)	(483,795)
Adjustment to reconcile net loss to net cash provided by operating activities				
Changes in operating assets and liabilities				
Decrease (increase) in :				
Other current assets	-	(4,173)	11,709	(35,802)
Increase (decrease) in :				
Accounts payable and accrued expenses	(179,575)	(489,703)	(418,554)	(2,123,778)
Net cash provided by operating activities	(259,180)	(946,500)	(492,149)	(2,643,375)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	230	43,701	206	41,466
Disposals (acquisitions) of property and equipment	-	-	-	-
Net cash used in investing activities	230	43,701	206	41,466
CASH FLOWS FROM FINANCING ACTIVITIES				
Collection from a stockholder	40,000	425,000	-	280,000
Receipts of payment of subscription to capital stocks				
Net cash provided by (used in) financing activities	40,000	425,000	-	280,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(218,950)	(477,799)	(491,943)	(2,321,909)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	236,594,558	236,853,407	235,664,316	237,494,282
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P 236,375,608	P 236,375,608	P 235,172,373	P 235,172,373

**LODESTAR INVESTMENT HOLDINGS CORPORATION
NOTES TO FINANCIAL STATEMENT**

1. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements are prepared in accordance with the Philippine Financial Reporting Standards. The company has followed the same accounting policies and methods of computation used with the most recent annual financial statement. No new accounting policy has been adopted for this interim report.

2. RELATED PARTY TRANSACTIONS

In 2012, the Company granted non-interest bearing advances to a stockholder for working capital purposes. The advances to the stockholder are unsecured and are due and demandable anytime. These advances are generally settled in cash.

As at June 30, 2020, based on management's assessment, the outstanding balance of the Company's advances to a stockholder amounting to ₱1,137,076 is not impaired, hence, no impairment loss is recognized.

3. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

This account consists of accrued expenses which represent expenses continuously incurred for maintaining the operational and listing status of the Company with the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE). This is composed of legal fees, audit fees and withholding taxes.

4. CAPITAL STOCK

To address the Company's liquidity shortfalls and raise the needed fund for investment into Abacoal, the Company increased its authorized capital stock from Fifty Million Pesos (₱50,000,000.00) divided into Fifty Million (50,000,000) shares to One Hundred Million Pesos (₱100,000,000.00) divided into One Hundred Million (100,000,000) shares, both with a par value of One Peso (₱1.00) per share. The capital increase was approved by the Securities and Exchange Commission on 30 July 2009. To fund the capital increase, the Company entered into private placement transactions with several investors at the price of ₱1.20 per share. Full payment was made to the Company during the first quarter of 2010. Said shares were approved by the Philippine Stock Exchange for listing on July 14, 2010.

On November 6, 2009, the Company entered into a set of investment agreements with various investors where the investors subscribed, by way of private placement, to 10 million common shares of stock. The shares were subscribed at a price of ₱5.05 per share or for a total of ₱50.5 million. The transaction was approved by the BOD on September 14, 2009 and the gross investment amount was fully paid in March 2011. Listing application for such shares is currently pending with the PSE.

On October 25, 2016, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Mr. Nathaniel C. Go for the subscription,

via private placement, to two hundred sixty million (260,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares was issued from the Company's current authorized capital stock of one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share. On the same date, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Ms. Socorro P. Lim, for the subscription, via private placement, to two billion (2,000,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares was issued from the increase in the Company's authorized capital stock from one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share to three hundred million pesos (₱300,000,000.00) consisting of three billion (3,000,000,000) common shares, with a par value of ten centavos (₱0.10) per share.

On December 8, 2016, the stockholders representing approximately 67.23 % of the outstanding capital stock of the Company affirmed, ratified and re-adopted the increase in the authorized capital stock of the Company approved by the Board of Directors and by shareholders owning and representing more than 2/3 of the authorized capital stock on November 6, 2009 and December 17, 2009 respectively. The stockholders, in the same manner, approved the sales and issuance of a total of two billion two hundred sixty million (2,260,000,000) common shares, listing of said shares in the Philippine Stock Exchange ("PSE") and waiver of the requirement to conduct a rights or public offering of the shares approved by a majority vote representing the outstanding shares held by the minority present or represented in said meeting.

On June 14, 2017, the Securities and Exchange Commission approved the increase in the Company's authorized capital stock.

5. RISK MANAGEMENT

The Company has continues to be non-operational as of June 30, 2020. It is not exposed to significant financial risk, except for credit risk of its cash in bank and advances to stockholder, and liquidity risk related to its accounts payable. The minimum credit risk exposure of the Company of the company as of June 30, 2020 and December 31, 2019 amounted to ₱ 237,512,684 and ₱ 238,415,483, respectively, representing cash and advances to a stockholder. For cash, management believes that the credit risk is negligible because the counterparty is a reputable bank.

The Company has no significant exposure to foreign currency risk since it has no financial assets and financial liabilities that are denominated in foreign currency.

6. FINANCIAL INSTRUMENTS

6.1 Carrying Amounts and Fair Values By Category

The Company has no financial instruments carried at fair value. For its financial assets and financial liabilities as of June 30, 2020 and December 31, 2019 that are carried at amortized cost, management has determined their carrying amounts approximate or equal their fair values due to their short-term nature. Accordingly, a comparison of their carrying values and fair values is no longer presented.

6.2 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset and liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

6.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed.

The carrying values of the Company's financial instruments carried at amortized cost approximate or equal their fair values, accordingly, no further analysis of fair value in the hierarchy is presented. Nevertheless, among them, on cash is considered Level 1; all the rest are determined to be Level 3 in the fair value hierarchy.

7. OTHERS

- a. These financial reports are prepared in compliance with the quarterly reportorial requirements of the SEC.
- b. There were no material transactions affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidents.
- c. There were no subsequent material events not reflected in this interim financial statement.
- d. There were no material contingencies and any other events or transactions that are material to the understanding of the interim report.

Re: Lodestar Investment Holdings Corporation_SEC Form 17Q_06 November 2020

From: MSRD COVID19 (msrd_covid19@sec.gov.ph)

To: ilodestar@yahoo.com

Cc: gjflagman@sec.gov.ph; cegaliza@sec.gov.ph

Date: Friday, 6 November 2020, 03:03 pm GMT+8

Sir/Madam,

We acknowledge receipt of your email below and the attached documents thereto.

Thank you.

Regards,

**MARKETS AND SECURITIES REGULATION DEPARTMENT
PHILIPPINE SECURITIES AND EXCHANGE COMMISSION**

On Fri, Nov 6, 2020 at 2:31 PM LODESTAR INVESTMENT <ilodestar@yahoo.com> wrote:

Gentlemen:

Please find attached SEC 17-Q3 2020 Report of Lodestar Investment Holding Corporation and Notarized Certification. This report is submitted by Lodestar in PDF form.

Please acknowledge receipt.

Thank you.

Delfin S. Castro, Jr.

Treasurer

CERTIFICATION

I, DELFIN S. CASTRO, JR., Treasurer of Lodestar Investment Holdings Corporation with SEC Registration Number 54106 with principal office at 7th Floor Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Brgy. Wack Wack Greenhills East, Mandaluyong City, on oath state:

- 1.) That on behalf of Lodestar Investment Holdings Corporation, I have caused this SEC Form 17Q-Quarterly Report (Third Quarter of 2020) to be prepared;
- 2.) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
- 3.) That the company, Lodestar Investment Holdings Corporation, will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
- 4.) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of October 2020.



DELFIN S. CASTRO, JR.
Affiant

SUBSCRIBED AND SWORN to before me this 27th day of October 2020 at Mandaluyong City.

Doc. No.: 273
Page No.: 11
Book No:
Series of 2020

ATTY. JUAN J. NOLASCO
NOTARY PUBLIC UNTIL DEC. 31, 2021
IBP NO. 100857 / 01/03/2021 - RIZAL
PTR NO. 4330763 - 1/6/2020 - MAND. CITY
ROLL NO. 60888 / MCLE NO. VI-0020547 / 04/14/2022
UNIT 3F CSV SLDG. MAYSILLO CIRCLE
BRGY. PLAINVIEW MAND. CITY

COVER SHEET

SEC Registration Number

5	4	1	0	6					
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Company Name

L	O	D	E	S	T	A	R	I	N	V	E	S	T	M	E	N	T	H	O	L	D	I	N	G	S				
C	O	R	P	O	R	A	T	I	N																				

Principal Office (No./Street/Barangay/City/Town)Province)

7	F	P	E	A	K	S	U	N	B	L	D	G	.	,	1	5	0	5	P	R	I	N	C	E	T	O			
N																				B	R	G	Y	.	W	A			
C	K	W	A	C	K	,	G	R	E	E	N	H	I	L	S	E	A	S	T	M	A	N	D	A					
L	U	Y	O	N	G		C	I	T	Y																			

Form Type

Department requiring the report

Secondary License Type, if Applicable

1	7	Q	3
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C	R	M	
---	---	---	--

N	/	A	
---	---	---	--

COMPANY INFORMATION

Company's Email Address

www.lodestarholdings.com

Company's Telephone Number/s

(632) 8928-9246

Mobile Number

N/A

No. of Stockholders

Annual Meeting
Month/Day

Fiscal Year
Month/Day

60

2nd Wednesday of May

12/31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Venus L. Gregorio

Email Address

Nitsbeng.gregoriolaw@my destiny.net
--

Telephone Number/s

(632)8920-9306

Mobile Number

--

Contact Person's Address

7F Peaksun Bldg., 1505 Princeton St., corner Shaw Blvd., Mandaluyong City

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

ANNEX "G"

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 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the quarterly period ended: September 30, 2020
2. SEC Identification Number: 54106
3. BIR Tax Identification No.: 200-751-430-000
4. Exact name of issuer as specified in its charter:

LODESTAR INVESTMENT HOLDINGS CORPORATION

5. Philippines
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. 7th Floor Peaksun Bldg., 1505 Princeton St.,
Shaw Blvd., Mandaluyong City
Address of principal office
8. (632) 8920-9306
Issuer's telephone number, including area code
9. N/A
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class (Par value: ₱0.10)	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares (Issued)	3,000,000,000 ¹
Common Shares (authorized)	3,000,000,000

11. Are any or all of these 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 Common Shares : 640,000,000

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the

¹ Number of issued and outstanding shares based on the records of the Stock and Transfer Agent.

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 []

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

See attached "Annex A"

The Company's financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

This Financial Statements meeting the requirements of SRC Rule 68, is furnished as specified therein.

In this interim period:

- a) There is no known trend, event or uncertainty that has or is reasonably likely to have a negative impact on the Company's short-term or long-term liquidity. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring the Company to make payments;
- b) There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- c) There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period;
- d) There are no material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures;
- e) There are no 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;
- f) There are no significant elements of income or loss that did not arise from the Company's continuing operations;
- g) No seasonal or cyclical factor that affected this quarter's interim operations.

Item 2. Management's Discussion and Analysis (MD&A) or Plan of Operations

Plan of Operation

Part III, Paragraph (A) of Annex "C" of the Securities Regulation Code under Rule 12 states that the information under subparagraph (2) thereof is required for companies that are operational and had revenues from its operations. In this light, the foregoing information only tackles Part III, Paragraph (A) (1) of Annex "C", insofar as applicable.

Business

On January 3, 1974, Lodestar Mining Corporation (now Lodestar Investment Holdings Corporation) ("LIHC" or the Company") was incorporated in the Philippines and established initially as a mining and natural resources exploration company. The Company was engaged in the development of several gold and chromite mining claims in Masbate, Cebu, Negros Occidental and Palawan.

In 1988, the Company filed an application for listing of its 30,000,000 common shares with the Philippine Stock Exchange ("PSE") formerly known as the Manila and Makati Stock Exchanges. On October 11, 1988, the SEC issued to the Company a Certificate of Permit to Offer Securities for Sale and rendered the Registration Statement to be effective. The Company was able to complete its initial public offering and the listing of the Company's shares was made effective on May 26, 1989.

In October 2003, the name and primary purpose of the Company were changed to reflect a change from a mining company to an investment holding company.

On July 7, 2005, the Board of Directors approved the write-off of the aforementioned mining properties or claims in its financial statement as of June 30, 2005. The mining properties were reviewed as to impairment in accordance with SFAS 36/IAS 36: Impairment of Assets.

On 11 December 2015, during the Annual Stockholders' Meeting of the Company, the shareholders confirmed, ratified and re-adopted the 2009 Stockholders' approval of the increase in the authorized capital stock of LIHC. Said resolution was passed during the 17 December 2009 Annual Meeting wherein shareholders, holding at least 2/3 majority of the outstanding capital stock, voted in favor of the capital increase from one hundred million pesos (₱100,000,000.00) divided into one hundred million (100,000,000) shares at a par value of one Peso (₱1.00) per share to three hundred million Pesos (₱300,000,000.00) divided into three billion (3,000,000,000) shares at the reduced par value of Ten centavos (₱0.10) per share without stockholders' pre-emptive right.

On September 26, 2008, the Board of Directors authorized the Company to enter into a Heads of Agreement with Abacus Consolidated Resources and Holdings, Inc. ("ABACON") and Musx Corporation ("Musx") for the joint acquisition by the Company and Musx of all the outstanding and issued shares of Abacus Coal Exploration and Development Corporation ("ABACOAL") with a sharing arrangement of fifty five percent (55%) for Musx and forty five (45%) for the Company. The Company and Musx have likewise entered into an Agreement for Joint Investment whereby the investment parameters for such investment into ABACOAL were set forth.

On May 21, 2009, the Company executed an Amendment to the Agreement for Joint Investment with Musx Corporation. The amendment primarily consists in the assignment to the Company of Musx's fifty-five percent (55%) interest in ABACOAL subject to the terms and conditions provided in the said agreement. As a result, the Company acquired the right to purchase one hundred percent (100%) of the shares of stock of ABACOAL which necessitated a bigger capital expenditure on the part of the Company.

On May 31, 2009, the Company executed a Memorandum of Agreement with Oriental Vision Mining Corporation ("Oriental") to undertake exploration and development activities of the coal properties of ABACOAL. Under the agreement, Oriental shall develop and operate the Coal Property and pay the Company a royalty fee of Eight Percent (8%) of gross coal price per ton based on FOB loaded to vessel.

On July 21, 2015, the Company entered into Cancellation of the Heads of Agreement, Amended Heads of Agreement and Allied Contracts with Abacus Consolidated Resources Holdings, Inc. (ABACORE) and Abacus Coal Exploration and Development Corporation (ABACOAL). The cancellation was necessitated by the fact that the Merger with ABACOAL was not approved by LIHC

shareholders for lack of quorum during the Annual Shareholder's Meeting called for the three (3) years prior.

The Company thus, no longer has any contractual interest over ABACOAL as a result of the cancellation of other Heads of Agreement and its allied contracts.

On October 25, 2016, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Mr. Nathaniel C. Go for the subscription, via private placement, to two hundred sixty million (260,000,000) shares at the subscription price of ten centavos (₱0.10) per share. The subscribed shares were issued from the Company's current authorized capital stock of one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share. Likewise, on the same date, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Ms. Socorro P. Lim, for the subscription, via private placement, to two billion (2,000,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares were issued from the increase in the Company's authorized capital stock from one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share to three hundred million pesos (₱300,000,000.00) consisting of three billion (3,000,000,000) common shares, with a par value of ten centavos (₱0.10) per share.

On December 8, 2016, the stockholders representing approximately 67.23% of the outstanding capital stock of the Company affirmed, ratified and re-adopted the increase in the authorized capital stock of the Company which was approved by the Board of Directors on November 6, 2009 and by shareholders owning and representing more than 2/3 of the authorized capital stock on December 17, 2009. The stockholders in the same manner, approved the sales and issuance of a total of two billion two hundred sixty million (2,260,000,000) common shares, listing of said shares in the Philippine Stock Exchange ("PSE") and waiver of the requirement to conduct a rights or public offering of the shares approved by a majority vote representing the outstanding shares held by the minority present or represented in said meeting.

On June 14, 2017, the Securities and Exchange Commission approved the increase of the Company's authorized capital stock.

Business Plan:

Still in line with the primary purpose of the Company as a holdings corporation, business outlook for 2020 is geared towards looking for other business ventures. Thus, the Company may again tap into various sources to look for opportunities in the various business sectors that are viable, growing and profitable. The Company's strategy will be to invest, buy-in or acquire businesses where the Company will at least own a significant stake or interest in the investee Company's outstanding capital. The said investment amount will allow the Company to recognize its proportionate share of the equitized earnings from its investee companies.

The Company with the approval of the SEC, implemented an increase in its Authorized Capital. This capital raising plan is intended to provide the Company investable funds and working capital for prospective projects. Specifics of such deals, if any, will be properly disclosed in accordance with the continuing disclosure requirements of the SEC and the PSE.

Likewise, the Company's cash requirements were satisfied from the proceeds/collection of Advances from stockholders and the proceeds of private placements with investors.

Management's Discussion and Analysis for the Interim Period Ended September 30, 2020 as compared with September 30, 2019:

Revenues

The Company did not earn any revenue during the nine-month period ended September 30, 2020 as it has not undertaken commercial operations.

Expenses

Expenses went down by ₦ 4.89 thousand or 0.92% from ₦ 533.29 thousand in September 2019 to ₦528.40 thousand in September 2020. The decrease was attributed mainly to lower expenses incurred during the period.

Net Loss

After deducting interest income from regular savings account, the Company posted a net loss of ₦ 484.51 thousand for the interim period ended September 2020 which is 1.45% or ₦ 7.15 thousand lower as compared to net loss of ₦ 491.65 thousand incurred for the same period in 2019.

Financial Condition

The Company's Total Assets comprising of Current Assets amount to ₦ 240.84 million which is 0.27% or ₦ 636.90 thousand higher than that of September 30, 2019 balance amounting to ₦240.21 million.

The Company's Total Liabilities increased by ₦ 797.12 thousand or 5,101.59% from ₦ 15.62 thousand in September 2019 to ₦ 812.75 thousand in September 2020.

Stockholders' equity posted a 0.07% or ₦ 160.22 thousand decrease from ₦240.19 million in September 2019 to ₦240.03 million in September 2020, attributable mainly to expenses incurred during the period.

Material Changes to the Company's pro-forma Balance Sheet as of September 30, 2020 as compared with pro-forma Balance Sheet as of September 30, 2019 (increase/decrease of 5 % or more)

33.20 % or ₦ 585 thousand decrease in advances to a stockholder from ₦ 1.76 million in September 2019 to ₦1.18 million in September 2020. This is due to collections received.

5,101.59% or ₦ 797.12 thousand increase in liabilities from ₦ 15.62 thousand in September 2019 to ₦ 812.75 thousand in September 2020 due to accrual of legal fees.

Key Performance Indicators

Considering the Company's non-operational status, the key performance indicators of the Company are as follows:	September 30, 2020	September 30, 2019
Current Ratio (1)	296.34x	15,373.16x
Quick Ratio (2)	290.69x	15,047.28x
Debt-equity ratio (3)	0.003x	0.0000x
Book value per share (4)	0.08x	0.08x
Net Profit Margin (5)	NA	NA

(1) Current Assets / Current Liabilities

Sept. 2020	(₦ 240,842,572 / ₦ 812,748)
Sept. 2019	(₦ 240,205,674 / ₦ 15,625)

(2) Cash / Current Liabilities

Sept. 2020	(₦ 236,255,174 / ₦ 812,748)
Sept. 2019	(₦ 235,113,717 / ₦ 15,625)

(3) Debt / Equity

Sept. 2020	(₦ 812,748 / ₦240,029,824)
Sept. 2019	(₦ 15,625 / ₦240,190,049)

(4) Equity /Subscribed Shares

Sept. 2020	(₦240,029,824 / 3,000,000,000)
Sept. 2019	(₦240,190,049 / 3,000,000,000)

The Current Ratio is the general measure of a company's liquidity. It represents the ratio of all current assets to all current liabilities. It is sometimes called the "Working Capital Ratio" because working capital is the excess of current assets over current liabilities.

The Quick Ratio is another measure of a company's liquidity. It is used to measure a company's ability to pay its liabilities using assets that are cash or very liquid. Since the Company does not have any marketable securities and accounts receivables, the computation of this ratio was based on cash alone. Quick ratio for the current period is lower as compared to the same period of last year.

The Debt to Equity Ratio is a measure of leverage, or the relative amount of funds provided by lenders and owners. This measures the amount of debt being used by the Company. The ratio for the current period is higher as compared with that of last year due to accrual of legal fees.

Book value Per Share is a measure of stockholders' equity. It represents the difference between total assets and total liabilities divided by the total number of shares outstanding.

Net Profit Margin Ratio related to the profits of a company to its sales, assets or equity. It indicates the rate of profit from sales and other revenues. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

Additional Financial Soundness Indicators

	September 30, 2020	September 30, 2019
Asset to equity ratio (1)	1.00x	1.00x
Interest Rate coverage ratio (2)	NA	NA
Gross Profit Margin (3)	NA	NA

<i>(1) Total Assets / Total Equity</i>	
Sept. 2020	(P 240,842,572 / P240,029,824)
Sept. 2019	(P 240,205,674 / P240,190,049)
<i>(2) Income before Interest and Taxes / Interest Expense</i>	
Sept. 2020	N/A
Sept. 2019	N/A
<i>(3) Gross Profit / Sales</i>	
Sept. 2020	N/A
Sept. 2019	N/A

Asset to Equity ratio measures the financial leverage and long term solvency of the Company. It is derived by dividing the total asset from its total equity.

Interest Coverage Ratio determines how easily a company can pay interest on outstanding debt. The Company did not incur any interest on its advances.

Gross Profit Margin is derived by dividing gross profit by the sales. The Company is still in a no-operation status. The reported revenues are purely interests earned from bank deposits.

PART II – OTHER INFORMATION

There are no contingent liabilities or contingent assets or known trend and events that may materially affect the company's operation nor are there estimates of amounts reported in prior periods that may have a material effect on the attached financial statements.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the Issuer by the undersigned, thereunto duly authorized, in Mandaluyong City on November 05, 2020.

By:


ANTONIO VICTORIANO F. GREGORIO III
Chairman and President


Delfin S. Castro, Jr.
Treasurer

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF FINANCIAL POSITION

" ANNEX A"

	Notes	Unaudited Sept. 30, 2020	Audited December 31, 2019
ASSETS			
Current Assets			
Cash and cash equivalents	P	236,255,174	236,853,407
Due from related parties		1,177,076	1,562,076
Other current assets		3,410,322	3,406,149
	P	240,842,572	241,821,632
LIABILITIES & STOCKHOLDERS' EQUITY			
Liabilities			
Accounts payable and accrued expenses	3 P	812,748	1,307,306
Total Liabilities		812,748	1,307,306
Stockholder's Equity			
Capital Stock - P0.10 par value	4	300,000,000	300,000,000
Additional Paid-In Capital		65,714,858	65,714,858
Deficit		(125,685,034)	(125,200,532)
Total Stockholders' Equity		240,029,824	240,514,326
	P	240,842,572	241,821,632

LODESTAR INVESTMENT HOLDINGS CORPORATION
 STATEMENTS OF INCOME
 (Unaudited)

	July 1 to September 30, 2020 (Three Months)	January 1 to September 30, 2020 (Nine Months)	July 1 to, September 30, 2019 (Three Months)	January 1 to September 30, 2019 (Nine Months)
REVENUES	P	P	P	P
EXPENSES	75,772	528,395	49,500	533,295
INCOME (LOSS) BEFORE OTHER LOSSES	(75,772)	(528,395)	(49,500)	(533,295)
INTEREST INCOME	194	43,894	177	41,643
NET INCOME (LOSS)	P	P	P	P
NUMBER OF COMMON SHARES	<u>3,000,000,000</u>	<u>3,000,000,000</u>	<u>3,000,000,000</u>	<u>3,000,000,000</u>
Loss Per Share	<u>(0.000)</u>	<u>(0.000)</u>	<u>(0.000)</u>	<u>(0.000)</u>

Note: No dividends declared during the period

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF CHANGES IN EQUITY

		Unaudited Sept. 30, 2020		Audited Dec. 31, 2019		Unaudited Sept. 30, 2019		Audited Dec. 31, 2018
CAPITAL STOCK - P 0.10 par value								
Beginning Balance	P	300,000,000	R	300,000,000		300,000,000	R	300,000,000
Additional Subscription								
Balance at end of period	P	300,000,000	R	300,000,000		300,000,000	R	300,000,000
ADDITIONAL PAID-IN CAPITAL								
Beginning Balance	P	65,714,858	R	65,714,858		65,714,858	R	65,714,858
Subscribed								
Balance at end of period	P	65,714,858	R	65,714,858		65,714,858	R	65,714,858
DEPOSIT FOR FUTURE SUBSCRIPTION		-		-		-		-
DEFICIT								
Beginning Balance	P	(125,200,532)	R	(125,033,157)		(125,033,157)	R	(124,792,250)
Net Income (loss)		(484,501)		(167,375)		(491,652)		(240,907)
Balance at end of period	P	(125,685,034)	R	(125,200,532)		(125,524,809)	R	(125,033,157)
STOCKHOLDERS' EQUITY, END	P	240,029,824	R	240,514,326		240,190,049	R	240,681,701

LODESTAR INVESTMENT HOLDINGS CORPORATION
STATEMENTS OF CASH FLOWS
(Unaudited)

	July 1 to Sept. 30, 2020 (Three Months)	January 1 to Sept. 30, 2020 (Nine Months)	July 1 to Sept. 30, 2019 (Three Months)	January 1 to Sept. 30, 2019 (Nine Months)
CASH FLOWS FROM OPERATING ACTIVITIES				
Income (loss) before income tax	R (75,579)	R (484,502)	R (49,323)	R (491,652)
Adjustment for:				
Interest Income	(194)	(43,895)	(177)	(41,643)
Net loss before working capital changes	(75,773)	(528,397)	(49,500)	(533,295)
Adjustment to reconcile net loss to net cash provided by operating activities				
Changes in operating assets and liabilities				
Decrease (increase) in :				
Other current assets	(40,000)	(4,173)	(360)	(36,162)
Increase (decrease) in :				
Accounts payable and accrued expenses	(4,855)	(494,558)	(8,973)	(2,132,751)
Net cash provided by operating activities	(120,628)	(1,027,128)	(58,833)	(2,702,208)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	194	43,895	177	41,643
Disposals (acquisitions) of property and equipment	-	-	-	-
Net cash used in investing activities	194	43,895	177	41,643
CASH FLOWS FROM FINANCING ACTIVITIES				
Collection from a stockholder	-	385,000	-	280,000
Receipts of payment of subscription to capital stocks	-	385,000	-	280,000
Net cash provided by (used in) financing activities	-	385,000	-	280,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
	(120,434)	(598,233)	(58,656)	(2,380,565)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD				
	236,375,608	236,853,407	235,172,373	237,494,282
CASH AND CASH EQUIVALENTS AT END OF PERIOD				
	R 236,255,174	R 236,255,174	R 235,113,717	R 235,113,717

LODESTAR INVESTMENT HOLDINGS CORPORATION
NOTES TO FINANCIAL STATEMENT

1. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements are prepared in accordance with the Philippine Financial Reporting Standards. The company has followed the same accounting policies and methods of computation used with the most recent annual financial statement. No new accounting policy has been adopted for this interim report.

2. RELATED PARTY TRANSACTIONS

In 2012, the Company granted non - interest bearing advances to a stockholder for working capital purposes. The advances to the stockholder are unsecured and are due and demandable anytime. These advances are generally settled in cash.

As at September 30, 2020, based on management's assessment, the outstanding balance of the Company's advances to a stockholder amounting to ₱1,177,076 is not impaired, hence, no impairment loss is recognized.

3. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

This account consists of accrued expenses which represent expenses continuously incurred for maintaining the operational and listing status of the Company with the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE). This is composed of legal fees, audit fees and withholding taxes.

4. CAPITAL STOCK

To address the Company's liquidity shortfalls and raise the needed fund for investment into Abacoal, the Company increased its authorized capital stock from Fifty Million Pesos (₱50,000,000.00) divided into Fifty Million (50,000,000) shares to One Hundred Million Pesos (₱100,000,000.00) divided into One Hundred Million (100,000,000) shares, both with a par value of One Peso (₱1.00) per share. The capital increase was approved by the Securities and Exchange Commission on 30 July 2009. To fund the capital increase, the Company entered into private placement transactions with several investors at the price of ₱1.20 per share. Said shares were approved by the Philippine Stock Exchange for listing on July 14, 2010.

On November 6, 2009, the Company entered into a set of investment agreements with various investors where the investors subscribed, by way of private placement, to 10 million common shares of stock. The shares were subscribed at a price of ₱5.05 per share or for a total of ₱50.5 million. The transaction was approved by the BOD on September 14, 2009 and the gross investment amount was fully paid in March 2011. Listing application for such shares is currently pending with the PSE.

On October 25, 2016, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Mr. Nathaniel C. Go for the subscription, via private placement, to two hundred sixty million (260,000,000) shares at the subscription price of ten centavos (₱ 0.10) per share. The subscribed shares were issued from the Company's current authorized capital stock of one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value

of ten centavos (₱0.10) per share. On the same date, the Board of Directors authorized the execution, delivery and implementation of the Subscription Agreement with Ms. Socorro P. Lim, for the subscription, via private placement, to two billion (2,000,000,000) shares at the subscription price of ten centavos (₱0.10) per share. The subscribed shares was issued from the increase in the Company's authorized capital stock from one hundred million pesos (₱100,000,000.00) consisting of one billion (1,000,000,000) common shares with a par value of ten centavos (₱0.10) per share to three hundred million pesos (₱300,000,000.00) consisting of three billion (3,000,000,000) common shares, with a par value of ten centavos (₱0.10) per share.

On December 8, 2016, the stockholders representing approximately 67.23 % of the outstanding capital stock of the Company affirmed, ratified and re-adopted the increase in the authorized capital stock of the Company approved by the Board of Directors and by shareholders owning and representing more than 2/3 of the authorized capital stock on November 6, 2009 and December 17, 2009 respectively. The stockholders, in the same manner, approved the sales and issuance of a total of two billion two hundred sixty million (2,260,000,000) common shares, listing of said shares in the Philippine Stock Exchange ("PSE") and waiver of the requirement to conduct a rights or public offering of the shares approved by a majority vote representing the outstanding shares held by the minority present or represented in said meeting.

On June 14, 2017, the Securities and Exchange Commission approved the increase in the Company's authorized capital stock.

5. RISK MANAGEMENT

The Company has continued to be non-operational as of September 30, 2020. It is not exposed to significant financial risk, except for credit risk of its cash in bank and advances to stockholder, and liquidity risk related to its accounts payable. The minimum credit risk exposure of the Company of the company as of September 30, 2020 and December 31, 2019 amounted to ₱ 237,432,250 and ₱ 238,415,483, respectively, representing cash and advances to a stockholder. For cash, management believes that the credit risk is negligible because the counterparty is a reputable bank.

The Company has no significant exposure to foreign currency risk since it has no financial assets and financial liabilities that are denominated in foreign currency.

6. FINANCIAL INSTRUMENTS

6.1 Carrying Amounts and Fair Values By Category

The Company has no financial instruments carried at fair value. For its financial assets and financial liabilities as of September 30, 2020 and December 31, 2019 that are carried at amortized cost, management has determined their carrying amounts approximate or equal their fair values due to their short-term nature. Accordingly, a comparison of their carrying values and fair values is no longer presented.

6.2 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for

which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset and liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

6.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed.

The carrying values of the Company's financial instruments carried at amortized cost approximate or equal their fair values; accordingly, no further analysis of fair value in the hierarchy is presented. Nevertheless, among them, on cash is considered Level 1; all the rest are determined to be Level 3 in the fair value hierarchy.

7. OTHERS

- a. These financial reports are prepared in compliance with the quarterly reportorial requirements of the SEC.
- b. There were no material transactions affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidents.
- c. There were no subsequent material events not reflected in this interim financial statement.
- d. There were no material contingencies and any other events or transactions that are material to the understanding of the interim report.