Preliminary Prospectus dated 1 April 2016

GOLDEN HAVEN MEMORIAL PARK INC.

Primary Offer of [74,117,647] Common Shares
at an Offer Price of up to [₱10.62] per Common Share
to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc.

Asian Alliance Investment Corporation
Issue Manager and Lead Underwriter

THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.

This Preliminary Prospectus is dated as of 1 April 2016.

GOLDEN HAVEN MEMORIAL PARK INC.
San Ezekiel, C5 Extension,
Las Piñas City, Philippines
Tel: +63(2) 873-2922/873-2543
Fax: +63(2) 873-2922/873-2543
Website: https://www.goldenhaven.com.ph

This Prospectus relates to the offer and sale (the "Offer") of [74,117,647] common shares, with a par value of ₱1.00 per share (the "Offer Shares"), of Golden Haven Memorial Park, Inc., a corporation organized under Philippine law ("Golden Haven" or the "Issuer" or the "Company") to be listed and traded in the Main Board of The Philippine Stock Exchange, Inc. (the "PSE").

The Offer Shares will be offered at a price of up to ₱[10.62] per Offer Share (the "Offer Price"). The determination of the Offer Price is further discussed on page 35 of this Prospectus and is based on a book-building process and as well as discussions between the Company and Asian Alliance Investment Corp. ("Asian Alliance" or the "Issue Manager and Lead Underwriter"). The Offer Shares represent 15% of the outstanding Common Shares of the Company after the Offer and will be issued out of the Company's authorized and unissued capital stock. Prior to the Offer, the Company has a total of 420,000,000 issued and outstanding common stock. After the Offer, the Company will have a total of 494,117,647 issued and outstanding capital stock.

As of the date of this Prospectus, the Company has an authorized capital stock of ₱1,000,000,000 divided into 996,000,000 common shares, each with a par value of ₱1.00 (the "Common Shares") and 400,000,000 preferred shares, each with a par value of ₱0.01 (the "Preferred Shares"). For a more detailed discussion on the rights and features of the Company's capital stock, including the Offer Shares, see "Description of the Common Shares" on page 78 of this Prospectus.

Assuming an Offer Price of ₱[10.62], the total gross proceeds to be raised by the Company from the sale of the Offer Shares is estimated to be ₱[786.84] million. Assuming an Offer Price of ₱[10.62], the net proceeds to be raised by Company from the sale of the Offer Shares (after deduction of estimated fees and expenses) are estimated to be ₱[711.77] million. The Company intends to use the net proceeds from the Offer to fund its acquisition, growth and expansion strategies, in particular, expanding its existing death care facilities, products and services through undertaking land and site development of the undeveloped areas of its existing memorial parks, land acquisition, and the construction and completion of new memorial chapels and crematory facilities within the Golden Haven Las Piñas Park, and for general corporate purposes including working capital requirements. For a more detailed discussion on the Company's proposed use of proceeds, see "Use of Proceeds" on page 30 of this Prospectus.

The Issue Manager and Lead Underwriter will receive a transaction fee from the Company equivalent to 3% of the gross proceeds from the sale of the Offer Shares. This fee is inclusive of the amounts to be paid to other participating underwriters and selling agents, where applicable. For a more detailed discussion on the fees to be received by the Issue Manager and Lead Underwriter, see "Plan of Distribution" on page 32 of this Prospectus.

Each holder of the Offer Shares will be entitled to such dividends as may be declared by the Company's Board of Directors (the "Board"), provided that any stock dividend declaration requires the approval of shareholders holding at least two-thirds of the Company's total outstanding capital stock. The Corporation Code of the Philippines, Batas Pambansa Blg. 68 (the "Corporation Code"), has defined "outstanding capital stock" as the total shares of stock issued, whether paid in full or not, except treasury shares.

As of the date of this Prospectus, the Company has not adopted a specific dividend policy which defines a minimum percentage of net earnings to be distributed to its shareholders. Dividends may be declared only from the Company's unrestricted retained earnings, except when, among others: (i) justified by definite corporate expansion, or (ii) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or (iii) when it can be clearly shown that the retention of earnings is necessary under special circumstances obtaining in the Company, its assets and operations, such as when there is a need for special reserves for probable contingencies. For a more detailed discussion of the Company's dividend policy, see "Dividend Policy" on page 34 of this Prospectus.

The Offer Shares may be owned by any person or entity subject to the applicable restrictions under Philippine law. Under the Philippine Constitution, being a company that owns land, foreign persons cannot own more than 40% of the Company's aggregate issued and outstanding capital stock entitled to vote. Accordingly, the Company will not allow the issuance of any of its shares, including the Offer Shares, or record the transfer of such shares to persons other than Philippine nationals if such issuance or transfer, in either case, shall exceed the foregoing foreign capital ownership limit.

Up to 22,235,400 Offer Shares are being offered in the Philippines to all of the trading participants of the PSE (the "PSE Trading Participants") and to local small investors ("LSIs") under the Local Small Investors Program, with 14,823,600 Offer Shares (or 20% of the total Offer Shares) being offered to PSE Trading Participants, and up to 7,411,800 Offer Shares (or 10 % of the total Offer Shares) being offered to LSIs. The remaining 51,882,247 Offer Shares shall be distributed by the Issue Manager and Lead Underwriter to its clients or to the general public. Offer Shares not taken up by the PSE Trading Participants, the Issue Manager and Lead Underwriter's clients or the general public shall be purchased by the Issue Manager and Lead Underwriter. For more detailed discussion of the underwriting commitment of the Issue Manager and Lead Underwriter, see "Plan of Distribution" on page 32 of the Prospectus.

The Common Shares, including all of the Offer Shares, will be listed and traded on the Main Board of the PSE. An application to list the Common Shares and the Offer Shares was filed on ● 2016. Assuming the Company's application to list is approved by the PSE, such an approval for listing is permissive only and does not constitute a recommendation or endorsement by the PSE or the SEC of the Offer Shares. Furthermore, the PSE makes no representation as to the completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon the whole or any part of the contents of this Prospectus.

On ● 2016, the Company filed a Registration Statement with the SEC in accordance with the Securities Regulation Code for the registration of all of the Common Shares, including the Offer Shares.

The information contained in this Prospectus relating to the Company and its operations has been supplied by the Company, unless otherwise stated herein. To the best of its knowledge and belief, the Company, which has taken reasonable care to ensure that such is the case, confirms that the information contained in this Prospectus relating to it and its operations is correct, and that there is no material misstatement or omission of fact which would make any statement in this Prospectus misleading in any material respect and that the Company hereby accepts full and sole responsibility for the accuracy of the information contained in this Prospectus with respect to the same.

The Issue Manager and Lead Underwriter confirms that it has exercised the required due diligence in verifying that all material information in this Prospectus is true and that no material information was omitted, which was necessary in order to make the statements contained in said documents not misleading. The Issue Manager and Lead Underwriter assumes no liability for any information supplied by the Company in relation to this Prospectus.

Unless otherwise indicated, all information in this Prospectus is as of the date of this Prospectus. Neither the delivery of this Prospectus nor any sale made pursuant to this Prospectus shall, under any circumstances, create any implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date.

Before making an investment decision, prospective investors should carefully consider the risks associated with an investment in the Shares. These risks include:

- risks related to Company's business;
- risks relating to the Philippines; and
- risks relating to the Offer and the Offer Shares.

For a more detailed discussion on the risks in investing in the Offer Shares, see the section entitled "Risk Factors" beginning on page 21 of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with any investment in or any purchase of the Offer Shares.

The Company's financial statements are reported in Pesos and are prepared based on its accounting policies, which are in accordance with the Philippine Financial Reporting Standards ("PFRS") issued by the Financial Reporting Standard Council of the Philippines. PFRS include statements named PFRS and Philippine

Accounting Standards, and Philippines Interpretations from International Financial Reporting Interpretations Committee.

Figures in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown in the same item of information may vary, and figures which are totals may not be an arithmetic aggregate of their components.

The Company's fiscal year begins on January 1 and ends on December 31 of the year. Punongbayan & Araullo, the Company's external auditor, has audited and rendered an unqualified audit reports on the Company's financial statements as of and for the years ended December 31, 2013, 2014 and 2015.

Market data and certain industry information used throughout this Prospectus were obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified and neither the Company nor the Issue Manager and Lead Underwriter make any representation as to the accuracy and completeness of such information.

This Prospectus includes forward-looking statements. The Company has based these forward-looking statements largely on its assumptions, current expectations and projections about future events and financial trends affecting its business and operations. Words including, but not limited to "believes", "may", "will", "estimates", "continues", "anticipates", "intends" "expects" and similar words are intended to identify forward-looking statements. In light of the risks and uncertainties associated with forward-looking statements, investors should be aware that the forward-looking events and circumstances in this Prospectus might not occur. Important factors that could cause some or all of the assumptions not to occur or result in performance or achievements materially different from those in to differ materially from those in the forward-looking statements include, among other things:

- the Company's ability to implements its strategies;
- competition in the Philippine death care industry;
- the Company's ability to anticipate and respond to economic and market trends, including changes in the Philippine, Asian or global economies;
- changes in interest rates, inflation rates and foreign exchange rates of the Peso against other currencies; and,
- changes in the laws, rules and regulations, including tax laws and licensing requirements, in the Philippines.

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE ACCEPTED OR RECEIVED UNTIL THE REGISTRATION HAS BECOME EFFECTIVE, AND ANY SUCH OFFER MAY BE WITHDRAWN OR REVOKED, WITHOUT OBLIGATION OF COMMITMENT OF ANY KIND, AT ANY TIME PRIOR TO NOTICE OF ITS ACCEPTANCE GIVEN AFTER THE EFFECTIVE DATE. AN INDICATION OF INTEREST IN RESPONSE HERETO INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY.

The Offer Shares are offered subject to the receipt and acceptance of any order by the Company and subject to the Company's right to reject any order in whole or in part. It is expected that the Offer Shares will be delivered in book-entry form against payment thereof to the Philippine Depository and Trust Corporation (the "PDTC") on or about ● 2016.

GOLDEN HAVEN MEMORIAL PARK, INC.
By:

JERRY M. NAVARRETE
President

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

APR 01 2016

SUBSCRIBED AND SWORN to before me this at Makati City, the affiant exhibiting to me his Passport No. EC4138755 issued on 11 May 2015 at DFA, Manila.

MOISES RONETTE C. COLOBONG
Appointment No. M-236
Notary Public for Makati City
Until December 31, 2016
Penthouse, Liberty Center
104 H.V. dela Costa Street, Makati City
Roll of Attorneys No. 63038
PTR No. 5331145 / Makati City / 01-07-2016
IBP No. 1015826 / Quezon City / 01-04-2016

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Page No. 29
Book No. IV
Series of 2016.

No representation or warranty, express or implied, is made by the Company and Issue Manager and Lead Underwriter, regarding the legality of an investment in the Offer Shares under any legal, investment or similar laws or regulations. The contents of this Prospectus are not investment, legal or tax advice. Prospective investors should consult their own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of a purchase of the Offer Shares. In making any investment decision regarding the Offer Shares, prospective investors must rely on their own examination of the Company and the terms of the Offer, including the merits and risks involved. Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Offer Shares is prohibited.

The Company reserves the right to withdraw the offer and sale of the Offer Shares at any time, and the Issue Manager and Lead Underwriter reserves the right to reject any commitment to subscribe for the Offer Shares in whole or in part and to allot to any prospective purchaser less than the full amount of the Offer Shares sought by such purchaser. If the Offer is withdrawn or discontinued, the Company shall subsequently notify the SEC and the PSE.

Conventions which apply to this Prospectus

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to the Company are to the Company and its subsidiaries and affiliates (or the Company and any one or more of its subsidiaries or affiliates, as the context may require). All references to the "Philippines" are references to the Republic of the Philippines. All references to the "Government" are to the national and local government of the Philippines, including any of its departments, agencies, or other instrumentalities.

The items expressed in the Glossary of Terms may be defined otherwise by appropriate government agencies or regulations from time to time, or by conventional or industry usage.

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GLOSSARY OF TERMS

In this Prospectus, unless the context otherwise requires, the following terms shall have the meanings set forth below:

Asian Alliance or the **Issue Manager and Lead Underwriter**	Asian Alliance Investment Corporation
Applicant	A person, whether natural or juridical, who seeks to subscribe to the Offer Shares
Application	An application to subscribe to the Offer Shares pursuant to the Offer
BIR	Bureau of Internal Revenue
Board	The Board of Directors of the Company
BSP	Bangko Sentral ng Pilipinas
Common Shares	Common shares of the Company with a par value of ₱1.00 per share
Company or Golden Haven or the Issuer	Golden Haven Memorial Park, Inc.
Corporation Code	Batas Pambansa Blg. 68
DAR	Department of Agrarian Reform of the Philippines
DENR	Department of Environment and Natural Resources of the Philippines
DOH	Department of Health of the Philippines
Ezekiel Columbarium	The 20,000-vault columbarium owned and operated by the Company within the Ezekiel Complex
Ezekiel Complex	The death care facilities consisting of the Sanctuario de San Ezekiel Moreno, a memorial chapel, the Ezekiel Columbarium and the Ezekiel Crematorium and located along C5 Road, Pulang Lupa, Las Piñas
Ezekiel Crematorium	The crematory facilities consisting of the two crematory units being constructed and to be owned and operated by the Company within the Ezekiel Complex
Fine Properties	Fine Properties, Inc.
Foreign Investments Act	Republic Act No. 7042, as amended
HLURB	Housing and Land Use Regulatory Board of the Philippines
Independent Auditors	Punongbayan & Araullo
Listing	The listing of 494,117,647 Common Shares, representing all of the issued and outstanding Common Shares of the Company after the

	Offer, on the Main Board of the PSE
Listing Date	[4 July 2016]
LLDA	Laguna Lake Development Authority of the Philippines
LSI	Local small investor
Main Board	The Main Board of the PSE
National Internal Revenue Code	Republic Act No. 8424, as amended
Offer	The offer and sale of the Offer Shares at the Offer Price in accordance with the terms set forth in this Prospectus
Offer Period	The period from [20 June 2016] until [24 June 2016]
Offer Price	Up to ₱[10.62] per Offer Share
Offer Shares	74,117,647 Common Shares to be offered and sold pursuant to the Offer
Pesos or ₱	Philippine Pesos
Philippine Constitution	1987 Constitution of the Republic of the Philippines
PDTC	Philippine Depository and Trust Corporation
PFRS	Philippine Financial Reporting Standards
Preferred Shares	Preferred shares of the Company with a par value of ₱0.01 per share
Prospectus	This [Preliminary] Prospectus, dated as of 1 April 2016, including any amendments or supplements thereto.
PSE	The Philippine Stock Exchange, Inc.
PSE Listing Rules	The Revised Listing Rules of the PSE, as amended
PSE Trading Participants	Trading participants of the PSE
SCCP	Securities Clearing Corporation of the Philippines
SEC	Securities and Exchange Commission of the Philippines
SRC	Securities Regulation Code and, where the context requires, its implementing rules and regulations
Underwriting Agreement	The Underwriting Agreement dated ● by and between the Company and the Issue Manager and Lead Underwriter
VLL	Vista Land & Lifescapes, Inc.

banking day or **business day**	A day other than Saturday or Sunday on which banks are open for business in Metro Manila, Philippines
cremation	The use of high temperature burning to reduce human bodies to basic chemical compounds such as mineral fragments and ash
crematorium or **crematory facility**	A facility which houses cremating equipment where deceased human bodies are brought to be cremated
columbarium or **columbarium facility**	A structure located in a cemetery or as an independent building comprised of vaults or niches
memorial lot	A piece of land within a cemetery or a memorial park where remains are buried
vault or **niche**	A compartment space used for the placement of urns that store ashes or cremated remains
urn	A vessel for ashes or cremated remains

EXECUTIVE SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information and financial statements including the notes thereto, appearing elsewhere in this Prospectus. Prospective investors are advised to review closely the sections entitled "Risk Factors" for a description of certain factors that may be relevant to the Offer Shares. Capitalized terms not defined in this Executive Summary are defined in the Glossary of Terms.

OVERVIEW

The Company, incorporated in November 1982, is one of Philippines' leading developers of memorial parks in the country in terms of land developed. As of 31 December 2015, the Company has been successful in developing a total of six memorial park projects, covering a gross area of 58.46 hectares spread across various parts of the Philippines, including the cities of Las Piñas and Cagayan de Oro and in the provinces of Bulacan, Cebu, Iloilo, and Zamboanga.

Aside from the development and sale of memorial parks, the Company likewise develops, constructs and operates columbarium facilities. As of the date of this Prospectus, the Company has four existing columbaries within its memorial parks in Las Piñas, Cebu, Cagayan de Oro, and Zamboanga and a 20,000-vault columbarium (the "Ezekiel Columbarium") located beneath the Sanctuario de San Ezekiel Moreno, a chapel constructed by the Company along C5 Road, Pulang Lupa, Las Piñas.

The Company prides itself as a developer of ideally located, uniquely designed, and well-maintained memorial parks. The Company believes that accessibility is and remains a key factor in the selection of memorial parks, and each of the Company's parks is strategically located within a five to 10 kilometer radius from its target communities. Eschewing standardized park designs, the Company's planners design and develop each memorial park to have its own theme, inspired by Mediterranean, Italian, American or Asian architecture and design motifs. Regimented park maintenance practices also ensure that each memorial park and columbarium developed by the Company will remain a comfortable and calming place to visit.

These same criteria of ideal location, unique designs and strict standards of maintenance and upkeep also ground the development of the Company's columbaries.

The Company is majority owned by Fine Properties, Inc. ("Fine Properties"), a holding and investment company owned by the family of former Senator Manuel B. Villar. Fine Properties is likewise the majority shareholder of Vista Land & Lifescapes, Inc. ("VLL"), one of the leading home and community builders in the country. Through its subsidiaries, VLL owns, develops and sells various residential projects, both horizontal and vertical developments, comprised of high-end, middle-income, low-cost and affordable products, covering the entire spectrum of the country's real estate industry.

As of 31 December 2015, the Company generated revenues of ₱692.8 million and net income of ₱151.1 million, representing a revenue growth of 16.49% and net income growth of 4.49% compared to revenues of ₱594.7 million and net income of ₱144.6 million in 2014. Revenue and income for the periods ending 31 December 2014 and 2015 were substantially generated from the sales of memorial park lots and columbarium vaults in the Company's existing projects.

PRODUCTS AND SERVICES

As of the date of this Prospectus, the Company's key products and services principally consist of the sale of memorial lots and columbarium vaults made available to the public through the Company's developments existing as of 31 December 2015:

- The Ezekiel Complex, which houses the Ezekiel Columbarium
- Golden Haven Las Piñas Park
- Golden Haven Cebu Park
- Golden Haven Cagayan de Oro Park
- Golden Haven Zamboanga Park
- Golden Haven Iloilo Park
- Golden Haven Bulacan Park

In addition, the Company has recently acquired two existing memorial parks with an aggregate land area of 8.2 hectares and located in the provinces of Pampanga and Nueva Vizcaya. These two memorial parks have been subdivided into approximately 24,400 memorial lots and, as of the date of this Prospectus, are being re-developed by the Company to conform to its quality standards. The Company expects to commence marketing and sales of these projects within 2016.

The Ezekiel Complex and the Ezekiel Columbarium

The Ezekiel Columbarium is an eight-level, 20,000 vault columbarium facility located within the San Ezekiel Moreno Complex (the "Ezekiel Complex"), a multi-facility area built to offer an entire range of death care services within a single location, The Ezekiel Complex currently features, in addition to the Ezekiel Columbarium, a restaurant and retail area and the Santuario de San Ezekiel Moreno Chapel for regular community mass services.

The Ezekiel Complex will also house the Company's first crematory facilities (the "Ezekiel Crematorium"), the construction of which was begun in 2016. The Ezekiel Crematorium will be composed of two crematory units within a two-story facility, which will also feature congregation and viewing rooms, offices and records storage areas and has been designed to be a state-of-the-art facility, capable of completing a cremation within 45 minutes or approximately 120 cremations in a month with a 10-hour work day. The crematory will be diesel fuel-fed and have automated controls to manage temperature and oxygen levels depending on the weight of the deceased. The crematories will also have modern pollution control systems to that any discharge is kept within legally allowable levels.

Finally, the Company is likewise undertaking the construction of additional memorial service facilities and chapels within the Ezekiel Complex. Once completed, the Ezekiel Complex will contain facilities for a full range of memorial services, including embalming, cleansing, dressing and cosmetic restoration of the deceased, chapels for the traditional wake periods before burial or cremation, and limousine and hearse services for the transport of the casket to the interment site, and shops and stores for the sale of death care products including floral arrangements, caskets, urns, keepsakes and other products.

Golden Haven Las Piñas Park

Golden Haven Las Piñas Park was the first memorial park project of the Company and was established to exploit the growing communities being developed by VLL and other real estate companies at the time. Golden Haven Las Piñas Park is comprised of a gross land area of 15.0 hectares resulting in a total of 31,418 memorial lots of varying packages. As of 31 December 2015, 29,678 memorial lots have been launched or offered to the market, of which a total of 29,373 memorial lots have been sold.

Golden Haven Las Piñas Park also houses a five-level columbarium facility.

Golden Haven Cebu Park

Golden Haven Cebu Park started in 2003 and with a total land area of 6.8 hectares. As of the date of this Prospectus, the Company has completed and offered to the public, a total of 11,768 memorial lots of various sizes. In 2012, the Company acquired an adjacent 6.5-hectare property for the expansion on which a total of 12,460 additional memorial lots have been developed. As of 31 December 2015, Golden Haven Cebu Park has a total of 11,162 memorial lots in inventory.

Golden Haven Cebu Park also houses a five-level columbarium facility.

Golden Haven Cagayan de Oro Park

Golden Haven Cagayan de Oro was launched in 2008 and has a total gross land area of 11.0 hectares. At its current stage of development, the Company has completed a total of 15,053 memorial lots of varying packages. As of 31 December 2015, 15,053 memorial lots have been launched and offered to the market, of which a total of 9,619 memorial lots have been sold.

Golden Haven Cagayan de Oro Park also houses a six-level columbarium facility.

Golden Haven Zamboanga Park

Golden Haven Zamboanga Park was launched in 2009 and has a total gross land area of 5.5 hectares. The Company has completed and launched a total of 10,389 memorial lots of various sizes to the public. In 2015, the Company acquired an adjacent 3.2-hectare property for the Zamboanga memorial park's expansion on which a total of 7,583 memorial lots have been completed. As of 31 December 2015, the Zamboanga project has a remaining inventory of 8,791 memorial lots.

Golden Haven Zamboanga Park also houses a five-level columbarium facility.

Golden Haven Iloilo Park

Golden Haven Iloilo Park was launched in 2013 and has a gross land area of 6.0 hectares and a total of 15,005 memorial lots of varying packages. As of 31 December 2015, 9,829 memorial lots have been launched, of which a total of 7,847 memorial lots have been sold. Approximately 1.4 hectares of land remain undeveloped and reserved for future expansion.

Golden Haven Bulacan Park

Golden Haven Bulacan Park was recently launched in 28 March 2015 and has a gross land area of 4.4 hectares and a total of 10,741 memorial lots of varying packages. As of 31 December 2015, 4,057 memorial lots have been launched and offered to the market, of which a total of 2,292 memorial lots have been sold.

COMPETITIVE STRENGTHS

The Company attributes its strong growth and attractive financial performance to the following competitive strengths:

- Significant synergies with its real estate affiliates, including (i) immediate market for its death care offerings, (ii) sales networks expansion, and (iii) access to management and technical expertise

- Extensive know-how and established operational competence

- Nationwide presence

- Significant growth potential

- Innovative product packages

- Experienced management team

BUSINESS STRATEGIES

The Company aims to continue and accelerate its growth and be regarded as one of the biggest death care service providers in the country. To achieve this objective, key components of the Company's strategies include:

- Expansion of death care facilities by active and strategic acquisitions of land and/or existing death care facilities

- Expansion of death care services to include embalming, cleansing, dressing and cosmetic restoration of the deceased in preparation for viewing, and other memorial services

- Expansion of death care products by development of pre-need death care plans and packages

- Brand building and marketing both domestically and internationally

STATISTICS RELATING TO THE COMMON SHARES

Authorized capital stock [(1)]	₱1,000,000,000
Common shares outstanding before the Offer [(2)]	420,000,000
New Common Shares to be issued in the Offer	74,117,647
Offer Price per Share	Up to [₱10.62]
Common shares outstanding after the Offer	494,117,647
Approximate market capitalization at the Offer Price [(3)]	₱[5,245.59 million]

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(1) On 17 March 2016, the SEC approved the Company's application for an increase in its authorized capital stock from ₱20 million to ₱1.0 billion divided into 996,000,000 Common Shares with par value of ₱1.00 per share and 4,000,000 Preferred Shares with a par value of ₱0.01 per share. The SEC also approved the change in the par value of each Common Share from ₱100.00 to ₱1.00.

(2) On 8 March 2016, the Company stock dividends in an amount equivalent to ₱400 million worth of stock dividends, and pursuant to which, it issued 400,000,000 Common Shares upon approval by the SEC of the increase in the Company's authorized capital stock.

(3) Calculated by multiplying the Offer Price per Offer Share by the number of Common Shares in issue immediately after completion of the Offer.

CORPORATE INFORMATION

Golden Haven is a Philippine corporation with principal executive offices located at San Ezekiel, C5 Extension, Las Piñas City. The Company's telephone number is +63(2) 873-2543 and its corporate website is www.goldenhaven.com.ph. Any information contained in the Company's website is not incorporated by reference into, and does not constitute part of, this Prospectus.

TERMS AND CONDITIONS OF THE OFFER

Offer Shares	The Company, through the Issue Manager and Lead Underwriter, is offering up to [74,117,647] Offer Shares with a par value ₱1.00 per share. [14,823,600] Offer Shares are being sold and offered to all PSE Trading Participants while [7,411,800] Offer Shares are being sold and offered to LSIs. The balance of [51,882,247] Offer Shares shall be distributed to the Issue Manager and Lead Underwriter's clients and the general public through the Issue Manager and Lead Underwriter.
Offer Price	The Offer Shares are being offered at a price of up to ₱[10.62] per Offer Share.
Offer Period	The Offer Period shall commence on [20 June] 2016 and end at 12:00 noon of [24 June] 2016. The Company and the Issue Manager and Lead Underwriter reserve the right to extend or terminate the Offer Period, in each case, with the approval of the SEC and the PSE. Applications must be received by the Receiving Agent not later than 12:00 noon, Manila Time on [24 June] 2016 if filed through a Selling Agent or a PSE Trading Participant. Applications received thereafter or without the required documents will be rejected. Applications shall be considered irrevocable upon submission to the Selling Agent or the Issue Manager and Lead Underwriter, and shall be subject to the terms and conditions of the offer as stated in this Prospectus and in the Application. The actual subscription and/or purchase of the Offer Shares shall become effective only upon the actual listing of the Offer Shares on the PSE.
Minimum Subscription Eligible Investors and	Each Application must be for a minimum of ● Offer Shares, and thereafter, in multiples of ● Offer Shares. No Application for multiples of any other number of shares will be considered.
Restrictions on Ownership	The Offer Shares may be subscribed to or held by any person of legal age or duly organized and existing corporations, partnerships or other juridical entities regardless of nationality, subject to the applicable restrictions on foreign capital ownership under Philippine law. Since the Company owns land, foreign ownership in the Company is limited to a maximum of 40% of the Company's issued and outstanding capital stock entitled to vote. Accordingly, the Company cannot allow the issuance of any of its shares, including the Offer Shares, or record the transfer of any of its shares, including the Offer Shares, to persons other than Philippine Nationals if such issuance or transfers shall result in foreign ownership in the Company exceeding the foregoing limits**.** In addition, any subsequent transfer of the Offer Shares by Philippine Nationals to non-Philippine Nationals will be subject to the limitation that any such transfers will not cause foreign shareholders in the Company to exceed 40% of the Company's issued and outstanding capital stock entitled to vote. In the event that the foreign ownership in the Company's issued and outstanding capital stock entitled to vote will exceed 40%, the Company has the right to reject a transfer request by persons other than Philippine Nationals and has the right not to record such purchases in the books of the Company.

Procedure for Application

Application forms to subscribe for Offer Shares in the Offer may be obtained from the Selling Agents or the Issue Manager and Lead Underwriter. All Applications shall be evidenced by the Application to Subscribe and Purchase form, duly executed in each case by an authorized signatory of the applicant and accompanied by one completed signature card, which in the case of corporate and institutional applicants, should be authenticated by the corporate secretary, and the corresponding payment for the Offer Shares covered by the Application, photocopy of two valid identification cards (IDs) for each signatory and all other required documents. The duly executed Application and required documents should be submitted during the Offer Period to the same office where it was obtained.

If the applicant is a corporation, partnership, or trust account, the Application must be accompanied by the following documents:

- a certified true copy of the applicant's latest articles of incorporation and By-laws or Partnership and other constitutive documents (each as amended to date) duly certified by its corporate secretary;
- a certified true copy of the Applicant's SEC certificate of registration duly certified by its corporate secretary;
- a duly notarized corporate secretary's certificate setting forth the resolution of the applicant's board of directors or equivalent body authorizing the purchase of the Offer Shares indicated in the application, identifying the designated signatories authorized for the purpose, including his or her specimen signature, and certifying the percentage of the applicant's capital or capital stock held by Philippine Nationals.

Foreign corporate and institutional applicants, in addition to the documents required for corporate applicants, are required to submit, in quadruplicate, together with the Application, a representation and warranty stating that their investing in the Offer Shares being applied for will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Offer Shares.

Payment Terms

The Offer Shares must be paid for in full upon submission of the Application. Payment must be made by a check drawn against a bank in Metro Manila to the order of "Golden Haven IPO". The check must be dated as of the date of submission of the Application and crossed for deposit.

Acceptance/Rejection of Applications	The actual number of Offer Shares that an applicant will be allowed to subscribe for in the Offer is subject to the confirmation of the Issue Manager and Lead Underwriter. Applications shall be subject to the final approval of the Company. The Company, through the Issue Manager and Lead Underwriter, reserves the right to accept or reject, in whole or in part, any Application. Applications where checks are dishonored upon first presentation and Applications which do not comply with the terms of the Offer shall be rejected. Any payment received pursuant to the Application does not mean approval or acceptance by the Company of the Application. An Application, when accepted, shall constitute an agreement between the Applicant and the Company for the subscription to the Offer Shares at the time, in the manner and subject to the terms and conditions set forth in the Application and those described in this Prospectus. Notwithstanding the acceptance of any Application by the Issue Manager and Lead Underwriter or their duly authorized representatives, acting for or on behalf of the Company, the actual subscription and/or purchase by the applicant of the Offer Shares will become effective only upon the listing of the Offer Shares on the PSE and upon the obligations of the Issue Manager and Lead Underwriter [and Selling Agents] under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement. If such conditions have not been fulfilled on or before the periods provided above, all application payments will be returned to the Applicants without interest and, in the meantime, the said application payments will be held in a separate bank account with the Receiving Agent.
Refunds	In the event that the number of Offer Shares to be received by an Applicant, as confirmed by the Issue Manager and Lead Underwriter, is less than the number covered by its Application, or if an Application is rejected by the Company, then the Issue Manager and Lead Underwriter shall refund, without interest, within five Banking Days from the end of the Offer Period, all, or a portion of the payment corresponding to the number of Offer Shares wholly or partially rejected. All refunds shall be made through the Issue Manager and Lead Underwriter or Selling Agent with whom the applicant has filed the Application, at the latter's risk.
Documentary Stamp Taxes	All documentary stamp taxes applicable to the original issuance of the Offer Shares by the Company shall be for the sole account of the Company.
Registration and Lodgment of Shares with the PDTC	All Offer Shares will be issued in scripless form and lodged with the PDTC. The Applicant should indicate the lodgment information in the Application. The Offer Shares will be lodged with the PDTC at least two trading days prior to the Listing Date. The Applicant may request for the upliftment of their shares and to receive stock certificates evidencing their investment in the Offers Shares through his/her broker after the Listing Date. Any expense to be incurred on such issuance of certificates shall be borne by the Applicant.
Registration of Foreign Investments	The *Bangko Sentral ng Pilipinas* ("BSP") requires that investments in shares of stock funded by inward remittance of foreign currency be registered with the BSP if the foreign exchange needed to service capital repatriation or dividend remittance will be sourced from the banking system. The registration with the BSP of all foreign investments in the Offer Shares shall be the responsibility of the foreign investor.

Restriction on Issuance and Disposal of Shares

Existing shareholders who own an equivalent of at least 10% of the issued and outstanding capital stock of the Company after the Offer are required, under the Revised Listing rules of the PSE applicable to companies applying for listing on the PSE First Board, not to sell, assign or otherwise dispose of their common shares for a minimum period of 180 days after the Listing Date.

Furthermore, pursuant to the PSE's rules on share issuances executed and fully paid for within 180 days prior to the start of the offer period with a transaction price lower than the offer price in the initial public offer, recipients of the Common Shares issued by the Company on 17 March 2016 pursuant to its declaration of stock dividends last 8 March 2016, are likewise subject to a 365-day lock-up required by the PSE.

The Company's shareholders and their respective Common Shares covered by the foregoing lock-up provisions are as follows:

Shareholder	Common Shares Subject to 180-day Lock-up	Common Shares Subject to 365-day Lock-up
Fine Properties, Inc.	19,621,800	392,436,000
Jerry M. Navarrete	N/A	2,700,000
Michael G. Regino	N/A	2,000
Joy J. Fernandez	N/A	2,160,000
Rosario H. Javier	N/A	2,000
Maribeth C. Tolentino	N/A	2,700,000
[Independent Director]	[1]	N/A
[Independent Director]	[1]	N/A

Except for the issuance of the Offer Shares pursuant to the Offer or Shares for distribution by way of stock dividends or in connection with an employee stock option plan, the PSE will require the Company, as a condition to listing of the Offer Shares, not to issue new shares in its capital or grant any rights to or issue any securities convertible into or exchangeable for, or otherwise carrying rights to acquire or subscribe to, any shares in its capital or enter into any arrangement or agreement whereby any new shares or any such securities may be issued for a period of 180 days after the Listing Date.

Listing and Trading

The Company's application for the listing of the Shares was filed with the PSE on ● 2016. All of the Offer Shares are expected to be listed on the PSE under the symbol "HVN" on or about ●, 2016. Trading of the Common Shares that are not subject to lock–up is expected to commence on the same date.

Expected Timetable

The expected timetable of the Offer is tentatively scheduled as follows:

Price Setting date	[15 June 2016]
Start of Offer Period	[20 June 2016 to 24 June 2016]
PSE Trading Participants' Commitment Period	[20 June 2016 to 22 June 2016]
Local Small Investor Offer Period	[20 June 2016 to 24 June 2016]
Underwriters' Offer Period	[20 June 2016 to 24 June 2016]
End of Offer Period	[24 June 2016]
Listing date	[4 July 2016]

SELECTED FINANCIAL AND OPERATING INFORMATION

The following tables set forth selected financial information for the Company and should be read in conjunction with the Company's financial statements audited by Punongbayan & Araullo for the years ending December 31, 2013, 2014 and 2015, including the notes thereto, and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," included elsewhere in this Prospectus. The following data is qualified in its entirety by reference to all of that information.

Statement of Income Data

In ₱ millions	**For the years ended December 31**		
	2015 (audited)	**2014 (audited)**	**2013 (audited)**
REVENUES			
Real estate sales	650.80	555.44	478.41
Internment income	21.50	19.70	17.38
Interest income on contract receivables	20.50	19.59	20.15
	692.80	594.73	515.94
COSTS AND EXPENSES			
Cost of sales and services	293.15	250.52	229.94
Operating expenses	203.97	150.57	142.80
	497.12	401.09	372.74
OPERATING PROFIT	195.68	193.65	143.20
OTHER INCOME - Net	20.65	12.85	5.73
PROFIT BEFORE TAX	216.33	206.50	148.93
TAX EXPENSE	65.22	61.87	44.50
NET PROFIT	**151.12**	**144.63**	**104.42**
OTHER COMPREHENSIVE LOSS			
Item that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit post-employment obligation	(0.09)	(1.75)	(0.67)
Tax income	0.03	0.52	0.20
	(0.06)	(1.22)	(0.47)
TOTAL COMPREHENSIVE INCOME	151.05	**143.41**	**103.95**

Statement of Financial Position Data

In ₱ millions	**For the years ended December 31**		
	2015 (audited)	**2014 (audited)**	**2013 (audited)**
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	114.64	80.66	129.10
Contracts receivable	445.15	391.26	346.72
Due from related parties	70.21	206.90	198.08
Other receivables	29.90	8.17	14.16
Memorial lot inventories	217.77	205.02	95.78
Other current assets	14.35	8.16	7.29
Total Current Assets	892.03	*900.18*	*791.13*
NON-CURRENT ASSETS			
Contracts receivable	828.95	696.59	595.07
Property and equipment – net	24.79	22.87	16.10
Investment properties	41.33	46.92	52.68
Retirement benefit assets – net	-	-	0.86
Total Non-current Assets	895.07	*766.38*	*664.71*
TOTAL ASSETS	**1,787.10**	**1,666.56**	**1,455.84**

LIABILITIES AND EQUITY

Current Liabilities			
Interest bearing loans	5.97		
Trade and other payables	264.24	217.93	208.68
Customers' deposits	5.93	7.13	6.03
Dividends payable	650.00		
Income tax payable	14.95	4.25	2.18
Total Current Liabilities	941.09	229.32	216.90
Non-current Liabilities			
Interest bearing loans	3.05	-	-
Retirement benefit obligation	0.08	0.25	-
Deferred tax liabilities	255.98	219.53	171.74
Reserve for perpetual care	152.25	133.86	127.00
Total Non-Current Liabilities	411.35	353.64	298.74
TOTAL LIABILITIES	**1,352.44**	**582.95**	**515.64**
EQUITY			
Capital stock	20.00	20.00	20.00
Revaluation reserves	(2.54)	(2.47)	(1.25)
Retained earnings	417.19	1,066.08	921.45
Total Equity	434.66	1,083.60	940.20
TOTAL LIABILITIES AND EQUITY	**1,787.10**	**1,666.56**	**1,455.84**

Statement of Cash Flows Data

In ₱ millions	**For the years ended December 31**		
	2015 (audited)	**2014 (audited)**	**2013 (audited)**
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	216.33	206.50	148.93
Adjustments for:			
Interest Income	(21.50)	(20.71)	(22.23)
Depreciation and amortization	5.70	6.78	4.91
Interest expense	1.55	0.15	0.11
Operating profit before working capital changes:	202.09	192.72	131.72
Increase in contracts receivable	(186.24)	(146.06)	(109.51)
Decrease (increase) in other receivables	(35.04)	(2.83)	7.93
Increase in memorial lot inventories	(5.15)	(103.49)	(15.29)
Increase in other current assets	(6.19)	(0.01)	(1.57)
Increase in trade and other payables	46.31	9.25	2.42
Increase (decrease) in customers' deposits	(1.20)	1.10	1.37
Increase (decrease) in retirement benefit obligation	(0.25)	(1.05)	(0.18)
Increase in other liabilities	18.39	8.93	6.39
Cash generated from (used in) operations	**32.69**	**(41.37)**	**23.85**
Interest received	21.50	20.71	22.23
Interest paid	(1.55)	(0.15)	(0.11)
Cash paid for income taxes	(46.59)	(14.08)	(9.07)
Net Cash From (Used in) Operating Activities	**34.60**	**34.89**	**36.90**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property and equipment	(8.04)	(13.67)	(13.37)
Proceeds from disposal of property and equipment	0.42	0.12	-
Additions to investment properties	(2.01)	-	(5.56)
Net Cash Used in Investing Activities	(9.63)	(13.55)	(18.93)

CASH FLOWS FROM FINANCING ACTIVITY			
Net availment of interest bearing loans and borrowings	9.02		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33.98	(48.44)	17.97
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	80.66	129.10	111.13
CASH AND CASH EQUIVALENTS AT END OF YEAR	114.64	80.66	129.10

Key Performance Indicators and Ratios

	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
Gross margin(1)	56.4%	56.4%	53.6%
Net profit margin(2)	21.8%	24.3%	20.2%
Return on equity(3)	34.8%	13.3%	11.1%
Return on total assets(4)	8.5%	8.7%	7.2%
Current ratio(5)	0.9	3.9	3.7

Notes:

(1) *Gross margin is calculated by dividing (i) the difference between the sum of revenue from real estate sales and internment income and cost of sales and services for the year/period by (ii) the revenue from real estate sales and interment income for the year/period.*

(2) *Net profit margin is calculated by dividing (i) net profit for the year/period by (ii) the total revenue for the year/period.*

(3) *Return on equity is calculated by dividing (i) net profit for the year/period attributable to the owners of the Company by (ii) the ending balance of shareholders' equity of a given period and multiplying by 100%.*

(4) *Return on total assets is calculated by dividing (i) net profit for the year/period by (ii) the ending balance of total assets of a given period and multiplying by 100%.*

(5) *Current ratios are calculated by dividing (i) current assets by (ii) current liabilities at the end of the period.*

RISK FACTORS

An Investment in the Offer Shares involves a number of risks. Prospective investors should carefully consider the risks described below, in addition to other information contained in this Prospectus, including the Company's financial statements and notes relating thereto, before making any investment decision relating to the Offer Shares. This section does not purport to disclose all the risks and other significant aspects of investing in the Offer Shares. The Company's past performance is not an indication of its future performance. The occurrence of any of the events discussed below and any additional risks and uncertainties not presently known to the Company or are currently considered immaterial could have a material adverse effect on the Company's business, result of operations, financial condition and prospects and could cause the market price of the Offer Shares to fall significantly and investors may lose all or part of their investment.

The price of securities can and does fluctuate, and the price of an individual security may experience upward or downward movements, and may even lose all of their value. There is an inherent risk that losses may be incurred rather than profits made as a result of buying and selling securities. There is an extra risk of loss when securities are bought from smaller companies. There may be a significant difference between the buying price and the selling price of these securities.

PRUDENCE REQUIRED

This section does not purport to disclose all of the risks and other significant aspects of investing in these securities. Investors should seek professional advice regarding any aspect of the securities such as the nature of the risks involved in the trading of the securities, especially in the trading of high-risk securities. Investors should undertake independent research regarding the Company and the trading of securities before commencing any trading activity and may request all publicly available information regarding the Company and the Offer Shares from the SEC.

PROFESSIONAL ADVICE

An investor should seek professional advice if he or she is uncertain of, or has not understood any aspect of the securities to be invested in or the nature of the risks involved in holding and trading of such securities, especially in the trading of high-risk securities. Each investor should consult his or her own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of an investment in the Offer Shares.

The means by which the Company plans to address the risk factors discussed herein are principally presented in the sections of this Prospectus entitled "Competitive Strengths" and "Business Strategies" on page 47 and page 49 of this Prospectus, respectively.

RISKS RELATING TO THE BUSINESS

Existing and prospective competitors in the death care services industry have been increasing, and increasing competition may adversely affect the Company's results of operations and profit margins.

The Philippine death care services industry is fragmented and is made up of several non-integrated service providers providing pre-need burial packages, memorial service packages and memorial lots or niches. At present, the Company believes that it is the only company in the Philippines that is positioned to provide the full range of integrated death care services, covering the provision of memorial, crematory and chapel services to the sale of death care merchandise, memorial lots and columbarium niches.

Despite this competitive positioning, the Company competes against several major companies in each aspect of death care. Some of its competitors have had a longer operating history and higher name recognition and there is no assurance that the Company will be a customer's first choice when death care services are required. Some of the current competitors and new entrants may also offer integrated services death care services, reducing the competitive positioning that the Company aims to achieve.

Aside from these major companies, the Company also competes against smaller, typically family-owned companies that operate memorial parks and provide other death care services in towns and provinces that the Company operates or intends to operate in. These smaller companies can offer death care services at substantially lower prices than the Company's offerings. Given the competition from various industry participants, the Company will continuously have to market, promote, and price its products and services but there is no assurance that such efforts will be successful.

Any difficulty of the Company in accessing land suitable for memorial parks, columbaries, memorial facilities and chapels, at commercially viable rates may adversely affect the Company's expansion and growth plans.

As of the date of this Prospectus, the Company retains approximately 10.24 hectares in inventory from its six existing and two recently-acquired memorial park projects for future sales. In addition, the Company also has 6.36 hectares of raw and undeveloped land within these memorial parks which have been reserved for future development.

Beyond the sales of its existing and prospective inventory, the Company's growth and expansion depends on future acquisitions of properties appropriate for memorial parks, chapels, columbaries, and memorial service facilities at commercially viable prices. Future land acquisition efforts may be adversely affected by competition for targeted properties from other death care service providers, as well developers of other forms of real estate projects. There is no assurance that the Company can be successful in acquiring properties for its expansion or that the Company can acquire land at costs that will allow the Company to achieve the same level of profitability previously enjoyed.

Aside from competition, the ability to acquire lands for expansion can be adversely affected by existing and prospective Government policies and rules regarding land use, zoning and conversion. The Company may encounter instances where zoning conversion applications from agricultural land to cemetery land, for example, may not be granted or may entail time periods or costs that are significantly longer or greater than expected. In such situations, the financial position and growth prospects of the Company may adversely be affected.

Shifting consumer preferences and the changes in traditions and practices can affect the demand for the Company's death care services.

Increasing demand for the Company's death care services requires a continuous ability to foresee, recognize and adapt to shifting consumer preferences and changes in the traditions, practices and cultural beliefs of the market. For example, a shift from the tradition of using memorial lots to vaults will adversely affect the demand for memorial park projects. A shift in the tradition of storing urns in columbarium facilities to home storage or spreading of ashes will affect the performance of columbarium projects. Emerging trends, such as resomation, cryomation, green burials, among others, may reduce the demand for certain services that the Company currently offers. While the Company monitors prevailing market preferences, traditions and practices as part of its marketing and product development efforts, there can be no assurance that the Company will successfully identify, or adapt to, any such disruptive trends in time. Additionally, the emergence of such disruptive trends may require additional investments and costs to allow the Company to adapt to these changes, and any such costs may adversely affect the Company's results of operations and profit margins.

The Company relies on third party agents to sell its products and services.

The Company relies extensively on third party agents to sell its products and services in the country. For the years ending December 2013, 2014 and 2015, these agents accounted for approximately 98%, 97% and 98%, respectively of the Company's total sales. As the terms of engagement by the Company of these agents is non-exclusive, these agents, in general, may likewise offer products and services of the Company's competitors. The Company cannot give any assurance that these agents will give adequate focus to the Company's products and services and not favor or give priority to any other products these agents may otherwise offer. If a large number of these agents were to reduce focus on the Company's products and services, or otherwise terminate their arrangements with the Company, there can be no assurance that the Company would be able to replace these agents in a timely or effective manner.

The Company also has limited control over these third party agents and cannot monitor all aspects of their work. With this limited control, the Company cannot give assurance that none of its third party agents will make misleading representations and promises on the Company's products and services, leading to customer disputes and damage to the Company's reputation.

The Company is exposed to risks associated with its instalment payment arrangements, including the risk of customer default.

For the years ending December 31, 2013, 2014, and 2015, approximately 97% of the Company's total sales were from buyers availing of the Company's instalment payment plans and the Company expects to continue to rely on these instalment plans for its future revenues. As such, especially during periods of economic slowdown, rising inflation or unemployment, the Company's cash flows may be adversely affected by any increase in delayed payments or defaults thereof. While the Company believes that it has adequate contractual protection embedded in such instalment plans arising from delay or default in payment, and while the Company can re-sell the memorial lot of any defaulting customer, there can no assurance that any re-sale can be immediately implemented or the proceeds therefrom immediately realized. A rise in delayed payments or defaults can adversely affect the Company's business, financial condition and results of operations.

The Company faces risks associated with certain recent memorial park acquisitions.

In 2015, the Company acquired two existing memorial parks located in the provinces of Pampanga and Nueva Vizcaya with the objective of redeveloping these memorial parks and offering to the market, new memorial lot products conforming to the Company's product and pricing policies. While the Company believes that it has exercised prior due diligence in evaluating such acquisitions, there can be no assurance that the Company will not in the future be involved in or subject to claims, allegations or suits with respect to the previous business and operations of these memorial parks which arose prior to the acquisitions. Should such claims, allegations or suits arise, claimants may (rightfully or wrongly) seek redress or compensation for their claims against the Company's present management or assets, and the Company may still be at risk under principles of successor-in-interest liability. Despite the fact that the Company has, as part of such acquisitions, provided for indemnities against certain liabilities or claims or established other contractual protections, any adverse claim or liability could expose the Company to negative publicity, which could have a material adverse effect on its business and prospects, financial condition, and results of operations.

The Company faces uncertainties and risks related to its expansion plans.

The Company's growth is predicated on several initiatives that have been or will be implemented in 2016 and 2017. These strategies include new memorial park developments, the construction and sales of columbarium facilities, the provision of facilities for memorial services, and the sale of death care merchandise. Each of these initiatives are based on judgements with respect to market demand, competitive actions, land acquisition, construction and development costs, access to persons with the expertise to implement these initiatives, among others.

The Company faces several risks in the execution of these initiatives; these include overestimated demand and sales expectations, actual supply and cost of land for its development, construction cost overruns, the timely grant of regulatory approvals and permits, and the performance of the Company's personnel and third party contractors. If the Company is not able to manage these execution risks, its expansion initiatives may fall short of expectations and may adversely affect the Company's future financial standing and profitability.

The Company faces risks relating to its prospective memorial parks and columbaries, chapels and memorial service facilities, including risks relating to project cost and completion.

The Company's principal business is the development and sale of its memorial parks and the development and sale of its columbarium projects. In the future, the Company also anticipates revenues and income from services provided by its crematoriums, chapels and memorial service facilities. All these developments involve significant risks, such as the risk that the Company may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales or which may not be commercially viable. In addition, the time and the costs involved in completing the development and construction of these projects can be adversely affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, peso depreciation, natural disasters, labor disputes with contractors and subcontractors, accidents, changes in laws or in Government priorities and other unforeseen problems or circumstances. Any of these factors could result in project delays and cost overruns, which could negatively affect the Company's margins. Especially in the case of revenues recognized from sales of its memorial lots and columbarium projects, project delays may also result in sales and resulting profits from a particular development not being recognized in the year in which it was originally expected to be recognized, which could adversely affect the Company's results of operations for that year. Further, the failure by the Company to complete construction of a project to its planned specifications or schedule may result in contractual liabilities to purchasers and lower returns. The Company cannot provide any assurance that such events will not occur in a manner that would materially and adversely affect its results of operations or financial condition.

Independent contractors for prospective memorial parks, columbarium projects, crematoriums, chapels and memorial service facilities may not always be available, and once hired by the Company, may not be able to meet the Company's quality standards or may not complete projects on time and within budget.

The Company relies extensively on independent contractors to provide various services related to the development of its prospective memorial parks, columbarium projects crematoriums, chapels and memorial service facilities. The Company selects independent contractors principally by conducting tenders and taking into consideration factors such as the contractors' experience, its financial and construction resources, any previous relationship with the Company, its reputation for quality and its track record. There can be no assurance that the Company will be able to find or engage an independent contractor for any particular project or find a contractor that is willing to undertake a particular project within the Company's budget, which could result in costs increases or project delays.

Further, although the Company's personnel actively supervise the work of such independent contractors, there can be no assurance that the services rendered by any of its independent contractors will always be satisfactory or be consistent with the Company's requirements and standards for quality. Any of these contractors may also experience financial or other difficulties, and shortages or increases in the price of construction materials may occur, any of which could delay the completion or increase the cost of certain housing and land development projects, and the Company may incur additional costs as a result thereof. Any of these factors could have a material adverse effect on the Company's business, financial condition and results of operations.

Abrupt movements in inflation and yields on investment assets may adversely affect the Company's ability to meet its costs of maintaining its memorial parks and columbaries.

The Company relies on financial budgeting models to set up funds aimed to meet maintenance obligations of its memorial parks and columbaries and these models rely on assumptions with respect to sales volumes and collections, maintenance costs over time, and returns on the funds' investment assets. Significantly adverse deviations from these assumptions, such as slower than expected sales volumes, higher costs of materials and labour, the occurrence of natural disasters, fire and other similar events, and the yields on the investment funds assets, can make actual returns of generated by investment funds insufficient to meet the Company's maintenance obligations. Such situations will reduce the Company's profits and cash flow in the future,

Compliance with environmental, health, safety and other government regulations and costs associated therewith may adversely affect the Company's results of operations or profit margins.

The Company's operations require compliance with government environmental, health, safety and other regulations and the procurement of various approvals, permits and licences from certain government agencies. For example, before any of the Company's properties may be fully developed into memorial parks or columbarium facilities, such development must have complied with pertinent regulations relating to, among others, land conversion, zoning and environmental clearances from the Housing and Land Use Regulatory Board ("HLURB"), the Laguna Lake Development Authority ("LLDA"), Department of Natural Resources ("DENR"), Department of Agrarian Reform ("DAR") and Department of Health ("DOH"), and other local government agencies. Other death care services, on the other hand, require periodic approvals, registrations and reportorial compliance with the DOH. The Company has incurred and will continue to incur costs and expenses to comply with such laws and regulations. Violations of these laws or regulations could result in regulatory actions with substantial penalties and there can be no assurance that the Company will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to environmental, health and safety matters, the costs of which could be material. In addition, any significant change in such laws or regulations or their interpretation, or the introduction of higher standards or more stringent laws or regulations could result in increased compliance costs or capital expenditures and can have adverse effects on the Company's profitability and growth prospects.

Natural disasters such as typhoons, floods, tsunamis, earthquakes, volcanic eruptions and fire could damage the Company's properties and severely hamper operations.

The Company's memorial parks, columbarium facilities, and other death care facilities may be exposed to occurrences of natural disasters such as typhoons, floods, earthquakes, volcanic eruptions and fire which could inflict extensive property damage and disrupt operations. The value and attractiveness of memorial parks or columbarium facilities, for example, may be damaged by the occurrence of extremely destructive natural disasters and will adversely affect the Company's business and financial performance.

The Company's performance depends on the performance of key personnel and the ability to recruit qualified personnel.

The Company's performance significantly depends upon the continued contributions of its executive officers and key employees, both individually and as a group, and the Company's ability to retain and motivate them. The Company's directors and members of its senior management have been an integral part of its success, and the experience, knowledge, business relationships and expertise that would be lost should any such persons depart could be difficult to replace and may result in a decrease in the Company's operating efficiency and financial performance. While the Company believes that it has provided its directors and key senior management with generous compensation, a highly skilled and reputable executive is always subject to piracy by competitors. If its directors or key management officers are not retained or if suitable replacements are not recruited, the Company's current and prospective operations, and ultimately its financial performance, may be adversely affected.

The investment assets of the Company's maintenance funds may not be sufficient to cover future death care services costs, specifically, the costs of operation and maintenance of the Company's memorial parks and columbaries, or such investment assets may suffer significant losses or experience sharp declines in their returns, which would have a material adverse effect on the Company's results of operations and its ability to discharge its obligations under sold funeral services packages and to properly maintain its memorial parks or columbaries.

Part of the Company's business involves discharging ongoing or future obligations, such as maintaining its memorial parks and columbarium facilities. To discharge these obligations, the Company has engaged professional fund managers to maintain and manage its maintenance funds that can only be utilized for such specific purposes. As of 31 December 2015, the aggregate balance of the Company's maintenance funds was ₱128.80 million.

The investments of the Company's existing maintenance funds for its death care facilities are managed by the BDO Unibank, Inc., acting through its Trust and Investments Group, the designated manager under the escrow and fund management arrangements entered into by the Company for this purpose. However, these investments are subject to inherent investment risks, and there is no assurance that the investments will not suffer losses in the future, or that the return on the investments will be sufficient to cover future cemetery and columbarium facilities maintenance costs.

Realized losses on the maintenance funds are recorded as other losses in the Company's statements on profit and loss and therefore would have a direct impact on its profits for the year. In addition, as these funds are maintained to discharge the Company's obligations of maintaining its memorial parks and columbaries, significant losses on these funds may result in insufficient funds for these purposes. Maintenance funds may fail to yield adequate returns to support the maintenance of the applicable cemetery using income of the fund. In such event, the Company may be required to cover any such shortfall using its cash resources, which may have a material adverse effect on the Company's liquidity.

The Company's major shareholder could affect matters concerning the Company.

Following the Offer, Fine Properties, the parent company of Golden Haven will continue to hold a substantial majority of the Company's outstanding voting stock, including the Common Shares. As a result, the Company's principal shareholder will be able to significantly affect the outcome of any shareholder voting, including the election of directors or most other corporate actions which require a vote by a corporation's shareholders, thereby affecting matters concerning the Company. The interest of the Company's major shareholder may not necessarily be aligned with those of minority shareholders of the Company, and Fine Properties is not under any legal obligation to exercise its rights as a shareholder in the Company in the Company's best interests or the best interests of the Company's other shareholders. If the interests of Fine Properties conflict with the interests of the Company, the Company could be disadvantaged by the actions that Fine Properties chooses to pursue.

RISKS RELATED TO THE PHILIPPINES

A slowdown in the Philippines' economic growth could adversely affect the Company.

Historically, the Company's results of operations have been influenced, and the Company believes that it will continue to be influenced, to a significant degree by the general state of the Philippine economy. As a result, income and results of operations depend, to a significant extent, on the performance of the Philippine economy. In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of the Peso and the imposition of exchange controls. In addition, the global financial, credit and currency markets have, since the second half of 2007, experienced, and may continue to experience, significant dislocations and liquidity disruptions. These and other related events have had a significant impact on the global capital markets and the global credit and financial markets as a whole. The related slowdown in the economies of the United States, the European Union and certain Asian countries has affected, and such slowdowns may adversely affect, in the future, economic growth in the Philippines. Prospects for future growth remain uncertain and the Government may be required to increase borrowings in order to meet its operational needs. Any deterioration in the Philippine economy may adversely affect consumer sentiment and lead to a reduction in demand for our products. There can be no assurance that current or future Governments will adopt economic policies conducive to sustaining economic growth.

Any political instability in the Philippines may adversely affect the Company's business and financial performance.

The Philippines has from time to time experienced political and military instability. The Philippine Constitution provides that in times of national emergency, when the public interest so requires, the Government may take over and direct the operation of any privately owned public utility or business. No assurance can be given that the political environment in the Philippines will be stable and any political instability in the future could reduce demand for the Company's products.

The Government of the Philippines and the Armed Forces of the Philippines ("AFP") have clashed with members of several separatist groups seeking greater autonomy, including the Moro Islamic Liberation Front ("MILF"), the Moro National Liberation Front ("MNLF") and the New People's Army.

Continued terrorist activities, military operations and high-profile violent crime in the Philippines could destabilize the country, adversely affecting the country's business environment. The Philippines has been subject to a number of terrorist attacks in the past several years. The Philippine army has been in conflict with the Abu Sayyaf organization which has been identified as being responsible for kidnapping and terrorist activities in the Philippines, and is also alleged to have ties to the Al-Qaeda and Isis terrorist networks. There have been sporadic bombings and prominent kidnappings and slayings of foreigners in the Philippines. In 2010, the hijacking of a tourist bus carrying Hong Kong tourists that resulted in the deaths of several passengers took place. Political instability in the Philippines could negatively affect the general economic conditions and operating environment in the Philippines, which could have a material impact on our business, financial condition and results of operation.

Territorial and other disputes with China and a number of Southeast Asian countries may disrupt the Philippine economy and business environment.

The Philippines, China and several Southeast Asian nations have been engaged in a series of long standing territorial disputes over certain islands in the West Philippine Sea, also known as the South China Sea. Despite efforts to reach a compromise, a dispute arose between the Philippines and China over a group of small islands and reefs known as the Scarborough Shoal. In April and May 2012, the Philippines and China accused one another of deploying vessels to the shoal in an attempt to take control of the area, and both sides unilaterally imposed fishing bans at the shoal during the late spring and summer of 2012. These actions threatened to disrupt trade and other ties between the two countries, including a temporary ban by China on Philippine banana imports, as well as a temporary suspension of tours to the Philippines by Chinese travel agencies. Since July 2012, Chinese vessels have reportedly turned away Philippine fishing boats attempting to enter the shoal, and the Philippines has continued to protest China's presence there. In January 2013, the Philippines sent notice to the Chinese embassy in Manila that it intended to seek international arbitration to resolve the dispute under the United Nations Convention on the Law of the Sea. China has rejected and returned the notice sent by the Philippines requesting arbitral proceedings. Chinese vessels have also recently confronted Philippine vessels in the area, and the Chinese government has warned the Philippines against what it calls provocative actions. Recent talks between the Government of the Philippines and the United States of America about increased American military presence in the country, particularly through possible American forays into and use of Philippine military installations, may further increase tensions.

In early March 2013, several hundred armed Filipino-Muslim followers of Sultan Jamalul Kiram III, the self-proclaimed Sultan of Sulu from the south of the Philippines, illegally entered Lahad Datu, Sabah, Malaysia in a bid to enforce the Sultan of Sulu's historical claim on the territory. As a result of the illegal entry, these followers engaged in a three-week standoff with the Malaysian armed forces, resulting in casualties on both sides. Clashes between the Malaysian authorities and followers of the Sultan of Sulu have killed at least 98 Filipino-Muslims and 10 Malaysian policemen army since March 1, 2013. In addition, about 4,000 Filipino-Muslims working in Sabah have reportedly returned to the southern Philippines.

On 9 May 2013, a Philippine Coast Guard ship opened fire on a Taiwanese fisherman's vessel in a disputed exclusive economic zone between Taiwan and the Philippines, killing a 65-year old Taiwanese fisherman. Although the Philippine government maintained that the loss of life was unintended, Taiwan imposed economic sanctions on the Philippines in the aftermath of the incident. Taiwan eventually lifted the sanctions in August 2013 after a formal apology was issued by the Government of the Philippines. However, the incident has raised tensions between the two countries in recent months.

Should territorial disputes between the Philippines and other countries in the region continue or escalate further, the Philippines and its economy may be disrupted and the Company's operations could be adversely affected as a result. In particular, further disputes between the Philippines and other countries may lead to reciprocal trade restrictions on the other's imports or suspension of visa-free access and/or Overseas Filipino Worker ("OFW") permits. Any impact from these disputes in countries in which the Company has operations could materially and adversely affect our business, financial condition and results of operations.

The sovereign credit ratings of the Philippines may adversely affect the Company's business.

Historically, the Philippines' sovereign debt has been rated relatively low by international credit rating agencies. Although the Philippines' long-term foreign currency-denominated debt was recently upgraded by each of Standard & Poor's, Fitch Ratings and Moody's to investment-grade, no assurance can be given that Standard & Poor's, Fitch Ratings or Moody's or any other international credit rating agency will not in the future downgrade the credit ratings of the Government and, therefore, Philippine companies. Any such downgrade could have an adverse impact on the liquidity in the Philippine financial markets, the ability of the Government and Philippine companies, including us, to raise additional financing and the interest rates and other commercial terms at which such additional financing is available.

RISKS RELATING TO THE OFFER SHARES AND THE OFFER

The Common Shares, including the Offer Shares, have had no previous public market and its price may be subject to volatility and market forces and the liquidity or trading activity for the Company's shares may be limited.

There has been no previous public market for Common Shares prior to the Offer. The initial issue price range for the Offer Shares was the outcome of consultations between the Company and the Issue Manager and Lead Underwriter and the Offer Price may be significantly higher than the market price of the Common Shares after the Offer. The Company has applied for [and has secured] the approval to list the Common Shares, including the Offer Shares, on the PSE. However, listing in the PSE gives no assurance that an active trading market for the Common Shares will arise, or if it arises, that it will continue to thrive after the Offer or that the market price of the Common Shares will not drop after the Offer.

Furthermore, the trading volume and price of the Common Shares may be subject to market volatility. The market price of the Common Shares after the Offer may fluctuate due to the following factors, among others:

- volatility in stock market prices and volume;
- fluctuations in the Company's revenue, cash flow and earnings;

- changes in the estimates of the Company's financial performance by analysts;
- any perceived decrease in the Company's competitiveness in the market;
- unforeseen disruptions and disturbances caused by natural and man-made disasters;
- departure of members of senior management and key personnel;
- embroilment in legal disputes;
- failure to maintain or obtain regulatory approvals for the Company's business and operations;
- unfavourable economic, political, social, and financial developments in the Philippines and the global economy.

The relative volatility and illiquidity of the Philippine securities market may substantially limit investors' ability to sell the Shares at a suitable price or at a time they desire.

The Philippine securities markets are substantially smaller, less liquid, and more volatile relative to major securities markets such as the United States and other jurisdictions, and are not as highly regulated as some of these other markets are. In recent years, stock markets, including the PSE, have experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market price securities issued by many companies for reasons unrelated to the operating performance of these companies. These broad market fluctuations may adversely affect the market prices of the Company's Shares.

The Offer Shares may not be a suitable investment for all investors.

Each potential investor in the Offer Shares must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Company and its business, the merits and risks of investing in the common shares and the information contained in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Offer Shares and the impact the Offer Shares will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Shares, including where the currency for purchasing and receiving dividends on the Shares is different from the potential investor's currency;
- understand and be familiar with the behavior of any relevant financial markets; and
- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Investors in the Offer Shares will face immediate and substantial dilution in the net asset value per Offer Share and may experience future dilution.

The Offer Price is substantially higher than the net book value per share of ₱1.03 as at 31 December 2015. Thus, there will be an immediate and substantial dilution in the net asset value per share to new investors. See "Dilution" on page 37 of this Prospectus.

The Company may be unable to pay dividends on the Offer Shares.

As of the date of this Prospectus, the Company has not adopted a specific dividend policy which defines a minimum percentage of net earnings to be distributed to holders of the Common Shares, including the Offer Shares. While dividends may be declared by the Board in due course out of the Company's unrestricted retained earnings, there is no assurance that the Company can or will declare dividends on the Common Shares, including the Offer Shares, in the future. Future dividends, if any, will be at the discretion of the board of directors and will depend upon the future results of the Company's operations and general financial condition, capital requirements, legal, regulatory and contractual restrictions, loan obligations, and other factors the Board may deem relevant.

Foreign ownership limitations may affect the liquidity of the market for the Offer Shares.

The Constitution and other related statutes restrict the ownership of land in the Philippines to Philippine Nationals. The term "Philippine National" as defined under the Foreign Investments Act (Republic Act No. 7042, as amended) means a citizen of the Philippines, or a domestic partnership or association wholly-owned by citizens of the Philippines, or a corporation organized under the laws of the Philippines of which at least 60% of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines, or a corporation organized abroad and registered to do business in the Philippines under the Corporation Code, of which 100% of the capital stock outstanding and entitled to vote is wholly-owned by Filipinos or a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine National and at least 60% of the fund will accrue to the benefit of Philippine Nationals. Foreign equity participation in entities such as the Company, which owns land used for its memorial parks, columbaries and other death care facilities, is limited to a maximum of 40% of the Company's issued and outstanding capital stock. Accordingly, to the extent that foreign investors' ability to buy the Offer Shares is limited, these restrictions may affect the liquidity of the Offer Shares.

There can be no guarantee that the Offer Shares will be listed on the PSE

Subscribers of the Offer Shares are required to pay for their purchase upon submission of their Applications during the Offer Period. [The PSE has approved] [Even assuming approval by the PSE of] the Company's application to list the Offer Shares, [but] the Listing Date is [will be] scheduled on a date that is a date after end of the Offer Period. The Company has taken steps to ensure that it fully complies with the registration and listing requirements and regulations in order to ensure that the Offer Shares will be listed on the PSE. However, there can be no guarantee that listing will occur on the anticipated Listing Date or at all. Delays in admission and commencement of trading in shares on the PSE have occurred in the past. If the PSE does not admit the Offer Shares onto the PSE, the market for the Offer Shares will be illiquid and investors may not be able to trade the Offer Shares. However, they would be able to sell their Shares by negotiated sale. This may materially and adversely affect the value of the Offer Shares.

The sale or possible sale of a substantial number of the Offer Shares in any private or public sales following the Offer could adversely affect the price of the Offer Shares.

Any future issue or sale of the Company's Common Shares, the disposal of Common Shares by the Company's major shareholders or the perception that such issuances, sales or disposals may occur may have a downward pressure on the price of the Company's Common Shares and there can be no assurance that such issuances, sales or disposals will not take place. To the extent further new Shares are issued, there may be dilution to present holders of the Company's Shares.

USE OF PROCEEDS

Assuming a maximum Offer Price of ₱[10.62], the Company expects to raise from the Offer gross proceeds of approximately ₱[786.84] million. After deducting fees, taxes and other expenses related to the Offer as set out below, the net proceeds of the Offer will be approximately ₱[711.77] million.

The costs and expenses to be incurred by the Company for the Offer will be approximately ₱[75.07] million, consisting of:

	in ₱ millions
Gross Proceeds (assuming an Offer Price of ₱[10.62])	₱[786.84] million
Estimated Offer expenses:	
PSE listing and processing fees	[5.30]
SEC registration fees	[0.72]
Underwriting and selling commission fees	[23.61]
Estimated professional and accounting fees	[3.05]
IPO and documentary stamp tax	[31.84]
Miscellaneous expenses	[11.30]
Total Offer Expenses	[75.07]
Estimated Net Proceeds	**₱[711.77**]

The Company intends to use the net proceeds from the Offer to fund its acquisition, growth and expansion strategies, in particular, increasing the capacity of its existing cemeteries, columbarium facilities and funeral homes through undertaking land and site development of the undeveloped areas of its existing memorial parks, land acquisition, and the construction and completion of new memorial chapels and crematory facilities within the Golden Haven Las Piñas Park, as well as for general corporate purposes, including but not limited to working capital requirements, costs of sales and other operating expenses. For a more detailed discussion on the Company's expansion and growth initiatives, see "Description of the Business" on page 47 of this Prospectus.

Further details of the Company's proposed use of the net proceeds from the Offer are as follows:

Project	**Particulars**	**% of Net Proceeds**	**Estimated Time of Completion**
Land bank development	Land and site development of undeveloped areas of existing parks consisting of areas located in: • Cebu • Iloilo • Cagayan de Oro • Zamboanga • Bulacan • San Exekiel	30.1%	4Q 2017
Land acquisition	Payment for balance of acquisition costs for lands located in: • Iloilo • Zamboanga • Bambang, Nueva Vizcaya • San Fernando, Pampanga	15.7%	2Q 2016 - 4Q 2017
Construction of Golden Haven Las Piñas Chapel & Crematorium	Building, land development, property and equipment acquisition costs for the construction and completion of the Golden Haven Las Piñas Chapel & Crematorium within the Golden Haven Las Piñas Park	27.4%	1Q 2017

Project	Particulars	% of Net Proceeds	Estimated Time of Completion
General corporate purposes	Working capital requirements and other operating expenses	26.7%	N/A

The proposed use of proceeds described above represents the Company's best estimate of the use of the net Offer proceeds. The actual amount and timing of disbursement of the net proceeds from the Offer based on the uses stated above will depend on factors such as changing market conditions or new information regarding the cost or feasibility of the Company's geographic and product expansion projects. The Company's cost estimates may change as it develops its plans, and actual costs may be different from its budgeted costs. To the extent that the net proceeds from the Offer are not immediately applied to the above purposes, the Company will invest the net proceeds in short term demand deposits and money market placements. In the event that there is any change in the Company's development plan, including *force majeure* and circumstances, such as (i) failure to obtain requisite approvals, (ii) changes in government policies that would render any of the above plans not commercially viable, the Company will carefully evaluate the situation and may reallocate the proceeds for future investments and/or hold such funds on short term deposit whichever is better for the Company's and its shareholders' interest taken as a whole. In such event, the Company will issue a public disclosure if there is any change in the above proposed use of proceeds and shall accordingly inform the SEC, the PSE and its shareholders at least 30 days prior to its implementation.

In the event that the actual expense are more than the foregoing estimates, or the actual net Offer proceeds are not sufficient to finance the projects described above, the Company will utilize the net proceeds based on their order of priority and will use internally generated funds and, where available, bank loans to finance the shortfall, or delay or abandon one or more of the components of its plans. In such an event, the Company will inform the SEC, the PSE and its shareholders at least 30 days prior to its implementation.

In the event of any significant deviation, material adjustment or reallocation in the planned use of proceeds, the Company will secure the approval of its Board of Directors for such deviation, adjustment or reallocation and promptly make the appropriate disclosures to the SEC and the PSE. The Company shall regularly disclose to the PSE, through the PSE Electronic Disclosure Generation Technology ("PSE EDGE"), any disbursements from the proceeds generated from the Offer. In addition, the Company shall likewise submit via the PSE EDGE the following disclosure to ensure transparency in the use of proceeds:

- Any disbursements made in connection with the planned use of proceeds from the Offer;
- Quarterly Progress Report on the application of the proceeds from the Offer on or before the first 15 days of the following quarter;
- Annual Summary of the application of proceeds on or before January 31 of the year following the initial public offering;
- Approval by the Company's Board of Directors of any reallocation on the planned use of proceeds, or of any change in the work program. The actual disbursement or implementation of such reallocation will be disclosed by the Company at least 30 days prior to the said actual disbursement or implementation;
- Certification by the Company's Chief Financial Officer or Treasurer and of an external auditor on the accuracy of the information reported by the Company to the PSE in the quarterly and annual reports; and
- A comprehensive report on the progress of its business plan on or before the first 15 days of the following quarter.

No portion of the net proceeds of the Offer will be used to repay outstanding obligations of the Company to the Issue Manager and Lead Underwriter, if any. Similarly, no portion of the net Offer proceeds shall be used to reimburse any officer, director, employee or shareholder for services rendered, assets previously transferred, money loaned or advanced. The Issue Manager and Lead Underwriter will receive a transaction fee from the Company equivalent to 3% of the gross proceeds from the sale of the Offer Shares. This is inclusive of the amounts to be paid to the trading participants, where applicable.

PLAN OF DISTRIBUTION

The [74,117,647] Offer Shares shall be offered, through the Issue Manager and Lead Underwriter, to the general public including institutional investors and high net worth individuals. In the event that there are Offer Shares that remain unsubscribed, the Issue Manager and Lead Underwriter shall subscribe to the balance pursuant to the terms and conditions of the Underwriting Agreement between the Company and the Issue Manager and Lead Underwriter.

The Company shall pay the Issue Manager and Lead Underwriter a pre-agreed underwriting and selling commission upon receipt by the Company of the Offer proceeds pursuant to the provisions in the Underwriting Agreement. The Issue Manager and Lead Underwriter will cede to the selling agents, if any, their corresponding respective selling commissions.

Underwriting Commitments

The Offer will be underwritten at the Offer Price and in connection therewith, an Underwriting Agreement will be entered into on or before the commencement of the Offer, between the Company and the Issue Manager and Lead Underwriter, pursuant to which the Issue Manager and Lead Underwriter has firmly committed, to subscribe for, or procure subscribers for, or to purchase, or to procure purchasers for the [74,117,647] Shares to be offered. The Underwriting Agreement is subject to certain conditions and each is respectively subject to termination by the Issue Manager and Lead Underwriter if certain circumstances, including *force majeure*, occur on or before the time at which the Shares are listed on the PSE. In addition, this agreement is conditional, *inter alia*, on the Offer Shares being listed on the PSE on or before the stipulated date or such date as the Issue Manager and Lead Underwriter may agree.

Under the terms and conditions of the Underwriting Agreement, the Company has agreed, *inter alia*, to indemnify the Issue Manager and Lead Underwriter in respect of any breach of warranty by the Company contained therein.

Allocation to the Trading Participants of the PSE and Local Small Investor Program

Pursuant to the rules of the PSE, the Company will make available [14,823,600] Offer Shares comprising 20% of the Offer for distribution to the trading participants of the PSE. The total number of Offer Shares allocated to the trading participants will be distributed following the procedures indicated in the implementing guidelines for the Offer Shares to be distributed by the PSE.

Trading participants who take up the Offer Shares shall be entitled to a selling fee of 1% of the Offer Shares taken up and purchased by the relevant trading participant. The selling fee, less a withholding tax of 10%, will be paid to the trading participants within five banking days after the Listing Date.

The trading participants of the PSE may be allowed to subscribe for their dealer accounts provided that, if they opt to sell the Offer Shares to the clients during the Offer period, it must be at a price not higher than the Offer Price per share. Likewise, the trading participants are prohibited from selling the Offer Shares during the period after the Offer period and prior to the Listing Date.

The balance of the Offer Shares allocated but not taken up by the trading participants will be distributed by the Issue Manager and Lead Underwriter.

A total of [7,411,800] Offer Shares, or 10% of the Offer, shall be made available to Local Small Investors. Local Small Investors is defined as a subscriber to the Offer who is willing to subscribe to a maximum of ₱25,000 worth of Offer Shares under the LSI program. Should the total demand for the Offer Shares in the LSI program exceed the maximum allocation, the Issue Manager and Lead Underwriter shall allocate the Offer Shares by balloting.

The Issue Manager and Lead Underwriter

Asian Alliance Investment Corporation is an investment house incorporated in 1995 and obtained its license to operate as an investment house in April 1996. As such, it is licensed by the Philippine Securities and Exchange Commission to engage in underwriting or distribution of securities to the public. Asian Alliance has as total paid-up capital of ₱300 million. Over its 20-year history, Asian Alliance has been involved in a number of major equity transactions and debt arrangements.

Underwriters' Compensation

The underwriting and selling fees to be derived by the Issue Manager and Lead Underwriter from the Offer shall be based on a percentage of the gross proceeds of the Offer, which shall be inclusive of amounts to be paid to the selling agents. All reasonable out-of-pocket expenses to be incurred by the Issue Manager and Lead Underwriter in connection with the Offer shall be for the account of the Company.

DIVIDEND POLICY

Limitations and Requirements

Under Philippine law, a corporation can only declare dividends to the extent that it has unrestricted retained earnings that represent the undistributed earnings of the corporation which have not been allocated for any managerial, contractual or legal purpose and which are free for distribution to the shareholders as dividends. The amount of retained earnings available for declaration as dividends may be determined pursuant to regulations issued by the SEC. The approval of the corporation's board of directors is generally sufficient to approve the distribution of dividends, except in the case of stock dividends which requires the approval of shareholders representing not less than two-thirds of the outstanding capital stock at a regular or special meeting duly called for the purpose.

The Corporation Code generally requires a Philippine corporation with retained earnings in excess of 100% of its paid-in capital to declare and distribute as dividends the amount of such surplus. Notwithstanding this general requirement, a Philippine corporation may retain all or any portion of such surplus in the following cases: (i) when justified by definite expansion plans approved by the Board of Directors of the corporation; (ii) when the required consent of any financing institution or creditor to such distribution has not been secured; (iii) when retention is necessary under special circumstances, such as when there is a need for special reserves for probably contingencies; or (iv) when the non-distribution of dividends is consistent with the policy or requirement of a Government office.

Record Date

Pursuant to existing regulations, cash dividends declared by the Company must have a record date not less than 10 nor more than 30 days from the date of declaration. For stock dividends, the record date should not be less than 10 nor more than 30 days from the date of the shareholders' approval, provided however, that the set record date is not to be less than 10 trading days from receipt by the PSE of the notice of declaration of stock dividend. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date is to be fixed by the SEC.

Dividend History

On 29 December 2015, the Board declared cash dividends in the amount of ₱800 million. On 8 March 2016, the Board, with the approval of the Company's shareholders representing two-thirds of its outstanding capital stock, declared stock dividends in the amount of ₱400 million.

Other than the foregoing, the Company has not declared dividends in any form since the time of its incorporation.

Dividend Policy

Under the Corporation Code, the Company's shareholders are entitled to receive a proportionate share in cash dividends that may be declared by the Board out of the surplus profits derived from operations. The same right exists with respect to a stock dividend declaration, the declaration of which is subject to the approval of shareholders representing at least two-thirds of the outstanding capital stock entitled to vote.

The amount of dividends to be declared will depend on the profits, investment requirements and capital expenditures at that time.

As of the date of this Prospectus, the Company has not adopted a specific dividend policy which defines a minimum percentage of net earnings to be distributed to its common shareholders. Dividends may be declared only from the Company's unrestricted retained earnings, except when, among others: (i) justified by definite corporate expansion, or (ii) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or (iii) when it can be clearly shown that the retention of earnings is necessary under special circumstances obtaining in the Company, its assets and operations, such as when there is a need for special reserves for probable contingencies.

DETERMINATION OF THE OFFER PRICE

The Offer Price per share of up to ₱[10.62] was determined based on a book building process and discussions between the Company and the Issue Manager and Lead Underwriter. Since the Common Shares have not been listed on any stock exchange, there has been no market price for the Common Shares derived from day to day trading.

Among the factors considered in determining the Offer Price are the Company’s financial performance and standing, its geographic and product expansion prospects, the level of demand from institutional investors, dilution to existing shareholders, overall market conditions at the time of the Offer and the market price of listed comparable companies both domestically and within the Asian region.

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth the Company's long-term liabilities, equity and capitalization as of 31 December 2015, as adjusted to reflect the sale of the Offer Shares. For the purposes of making adjustments to the table below with respect to the Offer, the Company has estimated that it will receive net proceeds of approximately [₱711.77 million] from the sale of the Offer Shares in the Offer after deducting an the amount of underwriting commissions, discounts and fees and certain other estimated expenses the Company expects to incur in connection with the Offer. The actual underwriting commission, discounts, fees and other Offer-related expenses may vary from the estimated amounts. The estimated amounts used to determine the estimated net proceeds are presented in this Prospectus for convenience only. The table should be read in conjunction with the Company's audited financial statements and the notes thereto, included in this Prospectus beginning on page F-1. Other than as described below, there has been no material change in the Company's capitalization since 31 December 2015.

In ₱ millions	**Actual as of 12/31/2015(1)**	**Pre-Offer Adjustments(2)**	**IPO Adjustments(2)**	**Pro Forma Post Offer**
Interest bearing loans	3.05		-	3.05
Retirement benefit	0.08		-	0.08
Deferred tax liabilities	255.98		-	255.98
Reserve for perpetual care	152.25		-	152.25
Total liabilities	411.35			411.35
Equity				
Capital Stock	20.00	400.00(2)	711.77(3)	1,131.77
Revaluation reserves	2.54			2.54
Retained earnings	417.19	(400.00)		17.19
Total capitalization and indebtedness	846.01			1,557.78

Notes:

(1) *Based on audited financial statements as of 31 December 2015.*

(2) *Equity adjustment pre-Offer relates to the issuance of 400,000,000 new Common Shares issued by the Company pursuant to the stock dividend declaration approved by the Board and the Company's shareholders representing at least two-thirds of its outstanding capital stock on 8 March 2015*

(3) *Represents the difference between gross Offer proceeds and estimated Offer expenses.*

DILUTION

The Company will offer [74,117,647] Offer Shares to the public at the Offer Price, which will be higher than the adjusted book value per share of the outstanding Common Shares, and which will result in an immediate material dilution of the new investors' equity interest in the Company. The tangible book value of the Company, based on its audited financial statements as of December 31, 2015 was ₱[434.66] million or ₱[1.03] per share. The book value represents the amount of the Company's total assets less the sum of its liabilities. The Company's tangible book value per share is computed by dividing the tangible book value by the 420,000,000 issued and outstanding Common Shares.[1]

Dilution in pro-forma book value per share to investors of the Offer Shares represents the difference between the Offer Price and the pro-forma book value per Share immediately following the completion of the Offer.

The Company's net tangible book value per Common Share pre-Offer will be adjusted for the issuance of 400 million new common shares in connection with the declaration of stock dividends amounting to ₱400 million approved by the Board on 8 March 2016.

After giving effect to the foregoing adjustment and to an increase in the Company's total assets to reflect the receipt of the net Offer proceeds of approximately [₱711.77 million] from the sale of [74,117,647] Offer Shares at an Offer Price of up to ₱[10.62] per Offer Share, Golden Haven's book value will be approximately ₱[1,146.43] million or ₱[2.32] per Common Share. This represents an immediate increase in book value of [₱1.29] per share to existing shareholders and an immediate decrease of [₱8.30] per share to investors of the Offer Shares.

The following table illustrates dilution on a per Common Share basis, assuming an Offer Price of [₱10.62] per Offer Share:

Offer Price per Offer Share..	[₱10.62]
Pro forma Book Value per Share as of 31 December 2015..................................	₱1.03
Increase in Book Value per Share attributable to the Offer Shares	₱1.29
Pro forma Book Value per Share after the Offer......................................	[₱2.32]
Decrease in Book Value per Share to Investors in the Offer Shares.......................	[₱8.30]

The following table sets forth the shareholdings outstanding of existing and new shareholders of the Company immediately after completion of the Offer of [74,117,647] Offer Shares:

Existing shareholders...	420,000,000
New investors	[74,117,647]
Total	[494,117,647]

Immediately after the Offer, the [74,117,647] Offer Shares will comprise 15% of the issued and outstanding capital stock in the Company.

[1] *Issued and outstanding shares adjusted for the issuance of 400 million new common shares arising from the declaration of stock dividends amounting to ₱400 million.*

SELECTED FINANCIAL AND OPERATING INFORMATION

The following tables set forth selected financial information for the Company and should be read in conjunction with the Company's financial statements audited by Punongbayan & Araullo for the years ending December 31, 2013, 2014 and 2015, including the notes thereto, and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," included elsewhere in this Prospectus. The following data is qualified in its entirety by reference to all of that information.

Statement of Income Data

In ₱ Millions	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
REVENUES			
Real estate sales	650.80	555.44	478.41
Internment income	21.50	19.70	17.38
Interest income on contract receivables	20.50	19.59	20.15
	692.80	594.73	515.94
COSTS AND EXPENSES			
Cost of sales and services	293.15	250.52	229.94
Operating expenses	203.97	150.57	142.80
	497.12	401.09	372.74
OPERATING PROFIT	195.68	193.65	143.20
OTHER INCOME - Net	20.65	12.85	5.73
PROFIT BEFORE TAX	216.33	206.50	148.93
TAX EXPENSE	65.22	61.87	44.50
NET PROFIT	151.12	144.63	104.42
OTHER COMPREHENSIVE LOSS			
Item that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit post-employment obligation	(0.09)	(1.75)	(0.67)
Tax income	0.03	0.52	0.20
	(0.06)	(1.22)	(0.47)
TOTAL COMPREHENSIVE INCOME	151.05	143.41	103.95

Statement of Financial Position Data

In ₱ millions	For the years ended December 31		
	2015 (audited)	2014 (audited)	2013 (audited)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	114.64	80.66	129.10
Contracts receivable	445.15	391.26	346.72
Due from related parties	70.21	206.90	198.08
Other receivables	29.90	8.17	14.16
Memorial lot inventories	217.77	205.02	95.78
Other current assets	14.35	8.16	7.29
Total Current Assets	892.03	900.18	791.13
NON-CURRENT ASSETS			
Contracts receivable	828.95	696.59	595.07
Property and equipment – net	24.79	22.87	16.10
Investment properties	41.33	46.92	52.68
Retirement benefit assets – net	-	-	0.86
Total Non-current Assets	895.07	766.38	664.71
TOTAL ASSETS	1,787.10	1,666.56	1,455.84
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			

Interest bearing loans	5.97	-	-
Trade and other payables	264.24	217.93	208.68
Customers' deposits	5.93	7.13	6.03
Dividends payable	650.00	-	-
Income tax payable	14.95	4.25	2.18
Total Current Liabilities	941.09	229.32	216.90
NON-CURRENT LIABILITIES			
Interest bearing loans	3.05	-	-
Retirement benefit obligation	0.08	0.25	-
Deferred tax liabilities	255.98	219.53	171.74
Reserve for perpetual care	152.25	133.86	127.00
Total Non-Current Liabilities	411.35	353.64	298.74
Total Liabilities	1,352.44	582.95	515.64
EQUITY			
Capital stock	20.00	20.00	20.00
Revaluation reserves	(2.54)	(2.47)	(1.25)
Retained earnings	417.19	1,066.08	921.45
Total Equity	434.66	1,083.60	940.20
TOTAL LIABILITIES AND EQUITY	1,787.10	1,666.56	1,455.84

Statement of Cash Flows Data

In ₽ millions	**For the years ended December 31**		
	2015 (audited)	**2014 (audited)**	**2013 (audited)**
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	216.33	206.50	148.93
Adjustments for:			
Interest Income	(21.50)	(20.71)	(22.23)
Depreciation and amortization	5.70	6.78	4.91
Interest expense	1.55	0.15	0.11
Operating profit before working capital changes	*202.09*	*192.72*	*131.72*
Increase in contracts receivable	(186.24)	(146.06)	(109.51)
Decrease (increase) in other receivables	(35.04)	(2.83)	7.93
Increase in memorial lot inventories	(5.15)	(103.49)	(15.29)
Increase in other current assets	(6.19)	(0.01)	(1.57)
Increase in trade and other payables	46.31	9.25	2.42
Increase (decrease) in customers' deposits	(1.20)	1.10	1.37
Increase (decrease) in retirement benefit obligation	(0.25)	(1.05)	(0.18)
Increase in other liabilities	18.39	8.93	6.39
Cash generated from (used in) operations	32.69	(41.37)	23.85
Interest received	21.50	20.71	22.23
Interest paid	(1.55)	(0.15)	(0.11)
Cash paid for income taxes	(18.04)	(14.08)	(9.07)
Net Cash From (Used in) Operating Activities	34.60	34.89	36.90
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property and equipment	(8.04)	(13.67)	(13.37)
Proceeds from disposal of property and equipment	0.42	0.12	-
Additions to investment properties	(2.01)	-	(5.56)
Net Cash Used in Investing Activities	(9.63)	(13.55)	(18.93)
CASH FLOWS FROM FINANCING ACTIVITY			
Net availment of interest bearing loans and borrowings	9.02	-	-

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33.98	(48.44)	17.97
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	80.66	129.10	111.13
CASH AND CASH EQUIVALENTS AT END OF YEAR	114.64	80.66	129.10

Key Performance Indicators and Ratios

	For the years ended December 31		
	2015 (audited)	**2014 (audited)**	**2013 (audited)**
Gross margin[(1)]	56.4%	56.4%	53.6%
Net profit margin[(2)]	21.8%	24.3%	20.2%
Return on equity[(3)]	34.8%	13.4%	11.1%
Return on total assets[(4)]	8.5%	8.7%	7.2%
Current ratio[(5)]	0.9	3.9	3.7

Notes:

(1) Gross margin is calculated by dividing (i) the difference between the sum of revenue from real estate sales and internment income and cost of sales and services for the year/period by (ii) the revenue from real estate sales and interment income for the year/period.

(2) Net profit margin is calculated by dividing (i) net profit for the year/period by (ii) the total revenue for the year/period.

(3) Return on equity is calculated by dividing (i) net profit for the year/period attributable to the owners of the Company by (ii) the ending balance of shareholders' equity of a given period and multiplying by 100%.

(4) Return on total assets is calculated by dividing (i) net profit for the year/period by (ii) the ending balance of total assets of a given period and multiplying by 100%.

(5) Current ratios are calculated by dividing (i) current assets by (ii) current liabilities at the end of the period.

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

The following discussion of the Company's recent financial results should be read in conjunction with the auditor's reports and the Company's financial statements and notes thereto contained in this Prospectus and the section entitled "Summary Financial and Operating Information." The Company's audited financial statements as of and for the years ended December 31, 20013, 2014 and 2015 were audited by Punongbayan & Araullo and prepared in compliance with PFRS.

This discussion contains forward-looking statements and reflects the current views of the Company with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section entitled "Risk Factors" and elsewhere in this Prospectus.

Overview

The Company is one of the leading death care service providers in the country whose key products and services include the sale memorial park lots, columbarium vaults, funeral services such as internment and other ancillary services. At present, the Company's developments span six locations across the Philippines, namely, in the cities of Las Piñas, Cebu, Cagayan de Oro, Zamboanga, Iloilo and the province of Bulacan, with an aggregate area of 58.46 hectares. In addition, the Company has recently acquired two memorial parks located in San Fernando, Pampanga and Bambang, Nueva Vizcaya, which increased the Company's total park area to 66.63 hectares. As of 31 December 2015, the Company has an inventory of 43,038 memorial lots and 12,681 columbary vaults.

Real estate sales, representing sales of memorial park plots, have historically accounted for more than 95% of the Company's total revenues generated. The Company also generates revenues from interest on its installment sales and from interment services provided. As of the year ended 31 December 2015, the Company generated total revenues in the amount of ₱692.80 million, of which real estate sales contributed ₱650.78 million, while internment income and interest income from contract receivables contributed ₱21.50 million and ₱20.50 million, respectively.

Factors Affecting the Company's Results of Operations

Set out below are the most significant factors that have affected the Company's operating results in the past and which are expected to affect the Company's results in the future. Factors other than those set forth below may also have a significant impact on the Company's results of operations and financial condition in the future. See "Risk Factors" on page 21 of this Prospectus.

Sales Volume / Market Demand

Over the years 2013 to 2015, the Company sold 10,869, 11,767 and 13,272 memorial lots and columbarium niches, representing a growth of 8.26% and 12.8%, respectively. The consistent annual increase in sales volume can be attributed to the successful development and marketing strategies of the Company which resulted in attractive locations, competitive pricing and payment schemes offered to its customers. Likewise, the Company believes that the increase in the Company's sales volume is attributable to its successful implementation of management systems which focused on improving collection efficiencies, as well as the introduction of insurance plans packaged with its memorial lot offerings.

Cost of Sales for Memorial Park Lots and Columbarium Vaults

Land acquired by the Company for future development into memorial parks are identified based on its proximity to communities, including the other real estate development of VLL, the population and income levels and the presence of established competitors in these areas. The cost of land depends primarily on market conditions within the location of the target site and is usually negotiated, together with the other terms and conditions, with the sellers of the property.

Upon acquisition of land, the Company undertakes the development of the memorial park or columbarium based on a plan and design drawn up by its in-house team of engineers and planners. Park development usually involves the subdivision of the property into memorial lot units and building roads, landscaping, constructing the perimeter fence, sewers and drainage system, among others. On the other hand, the construction of a columbarium entails the erection of the facility, interior design and acquisition of furniture and fixtures, among others. The cost to develop the park or columbarium varies depending on the design and features.

In 2015, total cost of sales for memorial park lots and columbarium vaults amounted to ₱ 282.14 million. In 2014 and 2013, total cost of sales for memorial park lots and columbarium vaults amounted to ₱242.08 million and ₱222.30 million, respectively.

Key Performance Indicators

The following table shows the top five key performance indicators for the past three calendar years ending December 31:

	For the years ended December 31		
	2015 (audited)	**2014 (audited)**	**2013 (audited)**
Gross margin[1]	56.4%	56.4%	53.6%
Net profit margin[2]	21.8%	24.3%	20.2%
Return on equity[3]	34.8%	13.3%	11.1%
Return on total assets[4]	8.5%	8.7%	7.2%
Current ratio[5]	0.9	3.9	3.7

Notes:

(1) Gross margin is calculated by dividing (i) the difference between the sum of revenue from real estate sales and internment income and cost of sales and services for the year/period by (ii) the revenue from real estate sales and interment income for the year/period.

(2) Net profit margin is calculated by dividing (i) net profit for the year/period by (ii) the total revenue for the year/period.

(3) Return on equity is calculated by dividing (i) net profit for the year/period attributable to the owners of the Company by (ii) the ending balance of shareholders' equity of a given period and multiplying by 100%.

(4) Return on total assets is calculated by dividing (i) net profit for the year/period by (ii) the ending balance of total assets of a given period and multiplying by 100%.

(5) Current ratios are calculated by dividing (i) current assets by (ii) current liabilities at the end of the period.

Critical Accounting Policies

For information on the Company's significant accounting judgments and estimates, please refer to notes ● and ● of the Company's audited financial statements included elsewhere in this Prospectus.

Description of Key Line Items

Revenues

Revenues refer to (i) sales of memorial lots and columbarium niches; (ii) rendering of memorial and chapel services; and (iii) interest income from contract receivables.

For financial reporting purposes, sales of memorial lots and columbarium vaults, which are generally completed and ready for use, are recognized using the accrual method. If the criteria under the full accrual method are not met, the deposit method is applied. For tax reporting purposes, revenues are recognized in full upon collection of 25 % or more of the contract price within the initial year of sale. Otherwise, revenue is recognized based on the percentage collected or using the installment method.

The Company also recognizes interment income when the performance of contractually-agreed tasks have been substantially rendered. Interment tasks refer to burial services rendered.

Lastly, interest income accrues to the Company from installment sales on contracts receivable. Interest income is recognized as interest accrues.

Cost of Sales and Services

Cost of sales and services refer to (i) cost of real estate sales, (ii) cost of interment, and (iii) cost of premium payments on insurance bundled with memorial lot sales when applicable.

Cost of real estate sales is comprised of cost land and development cost while cost of interment pertains to the labor and materials and other expenses related to the burial services rendered by the Company.

Operating Expenses

Operating expenses include commissions given to accredited selling agents, salaries and wages, promotions, outside services, utilities and taxes and licenses.

Results of Operations

The following discussion and analysis is based on Golden Haven's audited financial statements for 2013, 2014 and 2015 prepared in conformity with PFRS and included herein, and should be read in conjunction with such financial statements.

	2015	2014	2013
		(₱, in millions)	
Revenues	692.80	594.73	515.94
Cost of sales and services	293.15	250.52	229.94
Gross profit			
Operating expenses	203.97	150.57	142.80
Operating profit	195.68	193.65	143.20
Other income/(expense)	20.65	12.85	5.73
Profit before tax	216.33	206.50	148.93
Net Income	151.12	144.63	104.42

For the year ending December 31, 2015 compared with the year ending December 31, 2014

Revenues

Revenues increased to ₱692.80 million in 2015 from ₱594.73 million in 2014, representing an increase of ₱98.06 million or 16.49 % due to the following:

- Real estate sales grew from ₱555.44 million in 2014 to ₱650.80 million in 2015, representing an increase of ₱95.36 million or 17.17 %. The increase was primarily on account of ₱90.73 million and ₱4.63 million increase in the sale for the year of memorial park lots and columbarium vault, respectively.

- Interment income also grew to ₱21.50 million in 2015 from ₱19.70 million in 2014, representing an increase of ₱ 1.80 million or 9.11 %. This increase in interment income was mainly attributable to an increase in the number of services from 1,241 to 1,455 rendered for the year.

- Interest income arising from installment sales increased to ₱20.50 million in 2015 from ₱19.59 million in 2014, representing an increase of ₱ 0.91 million or 4.64 %. The increase in interest income was primarily due to higher sales volume posted in 2015.

Cost of Sales and Services

Cost of sales increased to ₱293.15 million in 2015 from ₱250.52 million in 2014, representing an increase of 17.02%. The increase in cost of sales and services was primarily attributable to increase in sales of memorial park lots and columbarium vaults for the year.

Operating Expenses

Operating expenses increased to ₱203.97 million in 2015 from ₱150.57 million in 2014, representing an increase of ₱53.40 million or 35.47 %. The increase in operating expenses was mainly attributable to increase in commission, promotions and outside services as a result of the higher sales for the year and increase in salaries and wages as a result of additions to the Company's manpower complement.

Other Income – net

Other income increased to ₱20.65 million in 2015 from ₱12.85 million in 2014, representing an increase of ₱7.80 million or 60.72 %. The increase in other income was mainly attributable to the increase in forfeited sales for the year.

Tax Expense

Tax expense increased to ₱65.22 million in 2015 from ₱61.87 million in 2014, representing an increase of ₱3.35 million or 5.41 %. The increase in tax expense was mainly attributable to the higher tax base for the period.

Net Profit

The foregoing factors resulted in an increase in net profit to ₱151.12 million in 2015 from ₱144.63 million in 2014, representing an increase of ₱ 6.49 million or 4.49 %.

For the year ended December 31, 2014 compared with the year ended December 31, 2013

Revenues increased to ₱594.73 million in 2014 from ₱515.94 million in 2013, representing an increase of 15.27 % due to the following:

- Real estate sales grew to ₱555.44 million in 2014 from ₱ 478.41 million in 2013, representing an increase of ₱77.03 million or 16.10 %. The increase was primarily on account of ₱61.76 and ₱15.26 million increase in the sale for the year of memorial lots and columbarium niche, respectively.

- Interment income also grew to ₱19.59 million in 2014 from ₱17.38 million in 2013, representing an increase of ₱ 2.32 million or 13.34%. This increase in interment income was mainly attributable to an increase in the number of services from 1,086 to 1,240 rendered for the year.

- Interest income arising from installment sales decreased to ₱19.59 million in 2014 from ₱20.15 million in 2013, representing a decrease of 2.76 %. The decrease in interest income was due to slightly lower sales volume for the period.

Cost of Sales and Services

Cost of sales and services increased to ₱250.52 million in 2014 from ₱229,94million in 2013, representing an increase of 8.95 %. The increase in cost of sales and services was primarily attributable to an increase in sales of memorial lots and columbarium niches for the year.

Operating Expenses

Operating expenses increased to ₱150.57 million in 2014 from ₱142.80 million in 2013, representing an increase of ₱7.77 million or 5.44 %. The increase in operating expenses mainly attributable to an increase in commissions arising from higher sales, and higher promotions and outside services expenses and an increase in salaries and wages due to additional manpower hired during the period.

Other Income – net

Other income increased to ₱12.85 million in 2014 from ₱5.73 million in 2013, representing an increase of ₱ 7.12 million or 124.18 %. The increase in other income was mainly attributable to increase in forfeited sales for the year.

Tax Expense

Tax expense increased to ₱61.87 million in 2014 from ₱44.50 million in 2013, representing an increase of ₱ 17.37million or 39.03 %. The increase in tax expense was mainly attributable to higher tax base.

Net Profit

The foregoing factors resulted in an increase in net profit to ₱144.63 million in 2014 from ₱104.42 million in 2013, representing an increase of ₱ 40.21 million or 38.50 %.

Liquidity and Capital Resources

Overview

The Company's principal requirements for liquidity for land acquisition and development costs and working capital expenses have, in the past years, been financed substantially by internally generated funds. Cash flows generated by Golden Haven's operations have been sufficient in funding its expansion plans and operating expenses. The Company expects its operating cash flows to be sufficient to fund its requirements in the foreseeable future.

Cash Flows

The following discussions of the Company's cash flows for 2014 and 2015 should be read in conjunction with the statements of cash flows included in the audited financial statements included herein.

	2015	2014
	(₱, in millions)	*(₱, millions)*
Net cash from (used in) operating activities	34.60	(34.89)
Net cash used in investing activities...........................	(9.63)	(13.55)
Net cash from financing activities	9.02	-
Net increase (decrease) in cash and cash equivalents..	33.98	(48.44)
Cash and cash equivalents	114.64	80.66

As of the year ended December 31, 2015, net cash inflows amounted to ₱33.98 million. Net cash generated from operations amounted to ₱34.60 million while net cash flow used in investing activities amounted to ₱9.63 million and cash flow from financing activities amounted to ₱9.02 million as a result, the Company's cash position as of December 31, 2015 was at ₱114.64 million.

Net cash flow from (used in) operating activities

For the year ended December 31, 2015, the Company's net cash from operating activities amounted to ₱34.60 million. Profit before tax amounted to ₱216.33 million. Cash generated by operating income (after adding back non-cash items) was ₱202.08 million. The Company generated cash from interest received of ₱21.50 million, paid interest of ₱1.55 million and paid income taxes of ₱18.04 million.

For the year ended December 31, 2014, the Company's net cash flows used in operating activities amounted to ₱34.89 million. Profit before tax amounted to ₱206.50 million. Cash generated by operating income (after adding back non-cash items) was ₱192.80 million. The Company generated cash from interest received of ₱20.71 million, paid interest of ₱0.15 million and paid income taxes of ₱14.08 million.

Cash flows used in investing activities

The Company's cash used in investing activities generally pertain to acquisition of property, and purchases of maintenance and service equipment and additions to investment property.

Net cash used in investing activities in 2015 and 2014 were ₱9.63 million and ₱13.55 million respectively. The Company's expenditures for investing activities primarily relate to property and equipment purchases.

Cash flows from (used in) financing activities

Net cash from financing activities in 2015 was ₱9.02 million and none in 2014. In 2015, the Company obtained various loans from a local commercial bank with tenors of between one to three years. The Company had no outstanding bank loans in 2014.

Interest-bearing Loans

The Company obtained short- and long-term loans from a local commercial bank for working capital requirements. These loans have tenors from one to three years and carry an average interest equivalent to 8 % p.a.

Off-Balance Sheet Arrangements

As of 31 December 2015, there were no off-balance sheet arrangements or obligations that were likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Capital Expenditure

The table below sets out the Company's capital expenditures for 2014 and 2015, together with the budgeted capital expenditure for 2016.

Year ended December 31,	**Expenditure** *(in ₱, millions)*
2014 (actual)	₱13.55
2015 (actual)	₱9.63
2016 (budgeted)	₱ [846.05]

The Company's capital expenditures have, in the past, been financed by internal funds.

The details of the Company's capital expenditures for 2014 and 2015 are summarized below:

	For the years ended December 31,	
	2014	**2015**
	(in ₱, millions)	
Land acquisition	-	2.00
Memorial park development	-	-
Property and equipment	13.55	7.63
Total	₱ 13.67	₱ 9.63

For 2016, the Company has budgeted ₱557.71 million for capital expenditures with details summarized below:

	Expenditure *(₱, in millions)*
Land acquisition	135.29
Memorial park development	189.92
Memorial chapel construction	130.10
Property and equipment	102.40
Total	557.71

The figures in the foregoing capital expenditure plans are based on the Company's management's estimates and have not been appraised by an independent organization. In addition, these capital expenditure plans are subject to a number of variables, including: possible cost overruns; construction/development delays; the receipt of environmental and other regulatory approvals; changes in management's views of the desirability of current plans; the identification of new projects; and macroeconomic factors such as the Philippine's economic performance and interest rates. There can be no assurance that the Company will execute the foregoing capital expenditure plans as contemplated at or below estimated costs.

DESCRIPTION OF THE BUSINESS

OVERVIEW

The Company, incorporated in November 1982, is one of Philippines' leading developers of memorial parks in the country in terms of land developed. As of 31 December 2015, the Company has been successful in developing a total of six memorial park projects, covering 58.46 hectares in various parts of the country. These existing projects are spaced across various areas of the Philippines, including the cities of Las Piñas and Cagayan de Oro and in the provinces of Bulacan, Cebu, Iloilo, and Zamboanga.

In January 2016, the Company also acquired two existing memorial parks in Bambang, Nueva Vizcaya and in San Fernando, Pampanga, covering, in the aggregate, 8.2 hectares of land. These newly acquired parks are now under re-development by the Company.

Aside from the development and sale of memorial parks, the Company also develops and constructs columbaries. As of the date of this Prospectus, the Company has five existing columbaries, namely, the Ezekiel Columbarium, a 20,000-vault columbarium facility located beneath the Sanctuario de San Ezekiel Moreno, a chapel constructed by the Company within the Ezekiel Complex along C5 Road, Pulang Lupa, Las Piñas, as well as four columbarium facilities within its memorial parks in the cities of Las Piñas and Cagayan de Oro, and the provinces of Cebu and Zamboanga.

The Company prides itself as a developer of ideally located, uniquely designed, and well-maintained memorial parks. The Company believes that accessibility is and remains a key factor in the selection of memorial parks, and each of the Company's parks is strategically located within a five to 10 kilometer radius from its target communities. Eschewing standardized park designs, the Company's planners design and develop each memorial park to have its own theme, inspired by Mediterranean, Italian, American or Asian architecture and design motifs. Regimented park maintenance practices also ensure that each memorial park and columbarium developed by the Company will remain a comfortable and calming place to visit.

These same criteria of ideal location, unique designs and strict standards of maintenance and upkeep also ground the development of the Company's columbaries.

The Company is majority owned by Fine Properties, a holding and investment company owned by the family of former Senator Manuel B. Villar. Fine Properties is likewise the majority shareholder of VLL, one of the leading home and community builders in the country. Through its subsidiaries, VLL owns, develops and sells various residential projects, both horizontal and vertical developments, comprised of high-end, middle-income, low-cost and affordable products, covering the entire spectrum of the country's real estate industry.

As of 31 December 2015, the Company generated revenues of ₱692.8 million and net income of ₱151.1 million, representing a revenue growth of 16.49% and net income growth of 4.49% compared to revenues of ₱594.7 million and net income of ₱144.6 million in 2014. Revenue and income for the periods ending December 31, 2014 and 2015 were substantially generated from the sales of memorial park lots and columbarium vaults in the Company's existing projects.

COMPETITIVE STRENGTHS

- *Significant synergies with real estate affiliates*

  VLL is the largest home developer in the country with residential developments in 95 cities and municipalities in 36 provinces throughout the Philippines. Both the Company and VLL have the same majority shareholder, Fine Properties, and while both companies are engaged in real estate development, neither the Company nor VLL are directly in competition with each other. In contrast, the Company believes that there are significant synergies that may be derived from its relationship with VLL. For instance, the Company has utilized, and it will continue to utilize, the following advantages arising from this relationship:

  - Immediate market for its death care offerings – with over 300,000 homes in its projects, VLL customers constitute a ready market for the Company's own developments. The Company has and it will continue to take advantage of sales prospects coming from VLL's home buyers. Moreover, the Company's selling efforts are made easier with the clients' familiarity with VLL and the association between the two companies.

- Sales networks expansion – the Company believes that its affiliation with VLL allows their respective sales agents to cross-sell products, increasing the product range that an agent can offer to prospective clients, which, in turn, creates more income opportunities for the Company, VLL and the agent himself, making the agent more motivated and productive.

- Access to management and technical expertise – the Company's relationship with VLL provides it with access to VLL's best practices in planning, engineering, project development, marketing, and compliance with regulatory matters. From time to time, the Company consults with or engages experts from or engaged by VLL to supplement the Company's own management, development, marketing and technical teams. This relationship has also enabled the Company and VLL to share their common experience with their third party contractors, suppliers and service providers, improving the Company's ability to evaluate, select and engage such third parties in the planning, engineering, development and implementation of its own projects.

- *Extensive know-how and established operational competence*

  From 2002 to 2015, the Company developed, completed and launched five memorial parks, constructed and launched a total of five columbaries, including the Ezekiel Columbarium and four columbaries within its existing memorial parks, or 10 death care projects over the last 12 years, all of which, as of the date of this Prospectus, are fully operational.

  The development of death care facilities such as memorial parks, columbaries and crematory facilities is highly complex, and the construction, operation and maintenance thereof are subject to extensive and continuing regulation in the Philippines. The Company's experience in successfully completing and launching 10 death care projects over the last 12 years has enabled the Company to gain expertise, extensive know-how and operational competence in all aspects of the development, operation and maintenance of death care facilities, including site selection, master planning, development and construction activities. The Company believes that this accumulated expertise and technical know-how will allow it to replicate its success in its ongoing and future death care projects and services. Likewise, the Company's successful track record has also allowed the Company to gain a broad and deep familiarity with its target clientele, as well as the key and critical factors which influence their purchase decisions, enabling the Company to develop, customize and tailor its present and future death care projects, products and services to best address its clients' needs.

- *Nationwide presence*

  The Company's existing death care facilities are spread across various metropolitan and provincial areas of the Philippines, including the cities of Las Piñas and Cagayan de Oro and in the provinces of Bulacan, Cebu, Iloilo, and Zamboanga. As a result, the Company is one of the few companies in the death care industry in the Philippines that has established nationwide presence.

  The Company believes that its presence across the Philippines allows the Company to tap markets across the nation and enhances the Company's status as a national brand, and likewise enables the Company to develop and implement marketing and advertising strategies which are more effective, efficient and inclusive than its competitors. In particular, since a prospective customer's decision to purchase death care products or avail of death care services is largely influenced by factors such as location and accessibility, when the Company's death care products and services are offered to its customers, including overseas workers, the Company believes that such customers are likely to choose the Company's products and services over its competitors considering the Company's presence in such customer's hometown or province.

- *Significant growth potential*

  As of the date of this Prospectus, the Company holds a total of over 25,000 memorial park lots of various types and over 8,600 columbarium vaults within its existing memorial parks to be launched in future phases of the pertinent memorial parks and columbaries. The design and infrastructure requirements and lot allocations for these new and additional phases are in place, and the Company expects to be able to launch these additional phases within a shorter period of time relative to the duration required to launch a new project.

In addition, the Company has recently acquired two existing memorial parks with an aggregate land area of 8.2 hectares and located in the provinces of Pampanga and Nueva Vizcaya. These two memorial parks have been subdivided into approximately 24,400 memorial park lots and, as of the date of this Prospectus, are being re-developed by the Company to conform to its quality standards. The Company expects to commence marketing and sales of these projects within 2016.

The Company also owns approximately 2.8 hectares of prime raw land, located along C5 Road in the city of Las Piñas, and strategically situated within 200 meters from the Ezekiel Complex. This property is suitable for the development of additional death care facilities, such as memorial chapels, columbaries, and other memorial facilities to supplement the products and services offered at the Ezekiel Complex.

The Company believes that, combined with its solid operating track record, the Company's existing land reserves and its array of expansion projects currently in development provide it with meaningful and realizable opportunities for strategic growth and expansion and give strong visibility of future revenues and earnings.

- *Innovative product packages*

The Company is known for the quality and affordability of its memorial lots and columbarium niches, as well as for offering clients innovative death care product packages which have been designed to cater not only to its clients' immediate needs but also to respond to emerging market trends and preferences. For example, through an arrangement with the Manufacturers Life Insurance Co. (Phil.), Inc. ("Manulife"), the Company has developed a memorial lot package that offers its clients, in addition to the purchase of such memorial lot, life, accidental death and dismemberment insurance coverage, with premium payments embedded into the cost of the memorial lot. Aside from the additional insurance benefits, such an arrangement provides the client with the assurance that any unpaid installments on the memorial lot, plus other costs of death care service will be sufficiently provided for and addressed. To its knowledge, the Company is the only death care service provider in the Philippines that offers such a package.

The Company believes that its ability to develop, offer and implement bespoke death care products, services and packages further enhances and differentiates its brand, and allows the Company to offer a wider and more attractive range of death care products and services to its clients than its competitors.

- *Experienced management team*

The Company's senior management team has extensive experience in the real estate and death care industry in the Philippines, and the Company believes that they have a deep understanding of key aspects of the industry, including the development, construction, operation and maintenance of death care facilities, products and services. Mr. Jerry M. Navarrete has more than 30 years of experience in the death care industry, and, together with the rest of the Company's senior management team, have decades of experience and strong professional relationships with key industry participants. This breadth and depth of industry experience and execution expertise can be seen with the number and scale of successful projects implemented in the past 12 years, the continuous growth in the Company's revenues and earnings and in the Company's expansion plans that are currently being implemented.

The Company believes that the strength and experience of its management and development teams enable it to maintain and strengthen its position as one of the largest death care providers in the Philippines, and would allow the Company to successfully implement its growth and expansion strategies.

BUSINESS STRATEGIES

The Company aims to continue and accelerate its growth and be regarded as one of the biggest and fully-integrated death care provider in the Philippines. To achieve this objective, key components of the Company's strategies include:

- *Expansion of death care facilities by active and strategic acquisitions of land and/or existing death care facilities*

Aside from the launch of new sales phases within its existing memorial parks and columbaries, the Company intends to continue its strategic expansion throughout the country. This expansion, via land acquisitions and the acquisition and re-development of existing memorial parks, will focus on those locations or areas where VLL real estate projects have been established or being developed to capitalize on the marketing synergies between the two companies.

With a view to establishing its brand presence in multiple key cities, the Company aims to expand its land bank through multiple acquisitions in a diverse set of cities and provinces nationwide. Leveraging on its experience and track record in land development, land acquired is expected to vary based on the needs of the Company's target population, the type of services required in the area, or customer (or prospective customer) preferences in general. Direct acquisition of raw land or developed property remains the preferred means of expansion, with the possibility of entering joint ventures as a secondary means of acquisition.

- *Expansion of death care services to include embalming, cleansing, dressing and cosmetic restoration of the deceased in preparation for viewing, and other memorial services*

  As of the date of this Prospectus, the Company is constructing memorial chapels within the Ezekiel Complex. These memorial chapels will contain rooms of varying sizes, and may then be leased out to its clients for the traditional wake and viewing period before the deceased is buried or cremated, and will have video memorialization and online streaming capabilities to enable on-line participation of the deceased's relations during religious and other memorial ceremonies.

  Once these developments are completed, the Company will be able to offer, in addition to its existing death care products, at-need burial or at-need cremation services covering embalming, cleansing, dressing and cosmetic restoration of the deceased in preparation for viewing, and other memorial services. The Company believes that by offering these expanded services, the Company would be able to simplify and reduce any stress incurred by its clients with the death care process. Further, the inclusion of such services in addition to its existing death care products would enhance the Company's product and service portfolio, and make its present and prospective offerings more attractive to its clients.

- *Expansion of death care products by development of pre-need death care plans and packages*

  The Company intends to expand its death care product portfolio by developing, by itself or through any one or more subsidiaries, planned pre-need death care packages, which would be designed to include a mix of the Company's suite of products, such as memorial lots and funeral services (embalming, cleaning, cosmetic restoration and the use of the Company's chapels during the viewing period), the supply of caskets or urns, and cremation or burial services – customized according to the client's preferences.

  The inclusion of pre-need death care plans into the Company's product portfolio will enable the Company to offer its entire range of products before these are actually required, at discounted rates compared to at-need purchases. Such packages will also allow clients to customize their requirements and to pay for the relevant products and services over an extended payment period.

- *Brand building and marketing both domestically and internationally*

  With projects in various cities and provinces, covering Luzon, Visayas and Mindanao, the Company plans to undertake aggressive nation-wide marketing and advertising efforts to enhance its brand recognition throughout the Philippines and to become the first name and the provider of choice for death care products and services.

  The Company intends to aggressively promote this position especially to overseas Filipino workers. In line with this, the Company intends to increase and strengthen arrangements with international brokers and agents who operate in key cities and countries in North America, Europe, the Middle East and Asia.

PRODUCTS AND SERVICES

The death care services market comprises products and services during the period of mourning and grief following the death of a loved one. The market generally includes funerary arrangements (care for the deceased and cosmetic embalming in preparation for viewing), burial or cremation services, and the sale of caskets, urns and death care memorabilia.

As of the date of this Prospectus, the Company's key products and services principally consist of the sale of memorial lots and columbarium vaults made available to the public through the Company's developments existing to date:

- The Ezekiel Complex, which houses the Ezekiel Columbarium
- Golden Haven Las Piñas Memorial Park
- Golden Haven Cebu Memorial Park
- Golden Haven Cagayan de Oro Memorial Park
- Golden Haven Zamboanga Memorial Park
- Golden Haven Iloilo Memorial Park
- Golden Haven Bulacan Memorial Park

In addition, the Company has recently acquired two existing memorial parks with an aggregate land area of 8.2 hectares and located in the provinces of Pampanga and Nueva Vizcaya. These two memorial parks have been subdivided into approximately 24,400 memorial lots and, as of the date of this Prospectus, are being re-developed by the Company to conform to its quality standards. The Company expects to commence marketing and sales of these projects within 2016.

Memorial Parks and Lots

The Company offers memorial lots at varying lot sizes and price points within each of its existing memorial parks, and within those memorial parks presently in development. The four basic lot packages are described below, while other lot packages offered in selected memorial parks are discussed in the succeeding sections of this Prospectus.

- A *Lawn Lot*, which is the most affordable lot package, covering approximately 2.5 sqm of land and which can accommodate the burial of two deceased remains.

- A *Garden Niche* covers approximately 10 sqm of land, and can accommodate the burial of up to nine deceased remains.

- A *Family Patio* covers approximately 18 sqm of land, and can accommodate the burial of up to 14 deceased.

- A *Family Estate*, which is generally the premium lot package on offer, and covers approximately 30 sqm of land. Purchasers of a Family Estate lot can elect to construct a mausoleum to contain the remains of up to 24 deceased, which must conform to specific design and construction parameters imposed by the Company as part of the terms of the purchase. The Company also provides, as an additional service and at additional cost to the client, construction and associated services for these mausoleums.

Upon use, the Company also charges the purchaser a fee for burial services covering labor and material costs associated with the interment.

Upon full payment of a memorial lot, the Company issues to its purchasers a certificate evidencing the purchaser's perpetual right to use the relevant lot. Each certificate includes the Company's undertaking to be liable for real estate and any other taxes that may be imposed on the memorial park, as well as the undertaking to operate, maintain or cause the maintenance of the memorial park. To address these future and continuing obligations, the cost of these undertakings (or anticipated cost thereof) is incorporated into the purchase price for the memorial lot, and a portion of the proceeds collected from purchasers is allocated into a maintenance fund escrowed with, and managed by, a third party escrow agent and fund manager. Income from this maintenance fund is then used to finance the operating and maintenance costs of a park. Each of the Company's memorial park has established and maintains its own maintenance fund.

The Company has established, and presently maintains, a separate maintenance fund for each of its memorial parks, other than the Golden Haven Iloilo Park and the Golden Haven Bulacan Park, which projects had only been recently launched in 2013 and 2015, respectively.

As of the date of this Prospectus, the escrow agent and fund manager of each of the Company's existing maintenance funds for its memorial parks is BDO Unibank, Inc., acting through its Trust and Investments Group. For a more detailed discussion on the terms of the Company's escrow and fund management agreement with the fund manager, see "Maintenance Funds" on page 61 of this Prospectus.

The use of a memorial lot is strictly for human interment only. While a purchaser does not acquire or hold legal title thereto, the Company allows the purchaser to nominate any person as the intended user of the memorial lot.

A purchaser may likewise transfer the perpetual right to use such lot to any other party subject to compliance with the Company's procedures and regulations regarding such transfers.

Similar to the practice of real estate developments, the Company launches the offer and sale of its memorial lots in phases. At each phase, the Company offers to prospective customers a pre-determined number of lots at pre-established prices. Succeeding phases would then entail the launch of another pre-determined number of memorial lots, typically at higher prices. The timing of launches and the price escalations at each succeeding phase generally depends on several factors, including market demand, supply and pricing strategies of competitors within the location, if any, and the target profit margins for such developments as set by the Company's management.

Existing Memorial Parks

As of 31 December 2015, Golden Haven has a total of six memorial parks with details summarized in the table below:

As of 31 December 2015

Project Name	Location	Launch Date	Gross Land Area (in hectares)	Total No. of Sellable Lots	No. of Lots Launched for Sale	No. of Lots Sold	Remaining Lot Inventory
Golden Haven Las Piñas Park	C5 Road Pulang Lupa, Las Pinas	1984	15.00	31,418	29,678	29,373	2,045
Golden Haven Cebu Park	Brgy. Binaliw 1, Tambalan Hills, Cebu	2003	6.79	11,768	11,768	8,969	2,799
Golden Haven Cebu Park Expansion		2012	6.53	12,460	6,042	4,097	8,363
Golden Haven Cagayan de Oro Park	Macapagal Road, Bulua Heights, CDO	2008	11.02	15,053	15,053	9,619	5,434
Golden Haven Zamboanga Park	Ma. Clara Lobregat Highway, Boalan, Zamboanga	2009	5.50	10,389	10,389	8,973	1,416
Golden Haven Zamboanga Park Expansion		2015	3.20	7,583	2,173	208	7,375
Golden Haven Iloilo Park	Brgy. San Jose, San Miguel, Iloilo	2013	6.00	15,005	9,829	7,847	7,158
Golden Haven Bulacan Park	Sitio Compara, San Mateo, Norzagaray, Bulacan	2015	4.44	10,741	4,057	2,292	8,449
TOTAL			**58.46**	**114,417**	**88,989**	**71,378**	**43,039**

**Excluding the 1.4 hectare property adjacent to Golden Haven Iloilo Park acquired by the Company on May 2015. This area is expected to be utilized for future expansion of Golden Haven Iloilo Park.*

In addition, the Company has recently completed its acquisition of two existing memorial parks with an aggregate land area of 8.2 hectares and located in the provinces of Pampanga and Nueva Vizcaya. These two memorial parks have been subdivided into approximately 24,400 memorial lots and, as of the date of this Prospectus, are being re-developed by the Company to conform to its quality standards. The Company expects to commence marketing and sales of these projects within 2016.

Golden Haven Las Piñas Park

Golden Haven Las Piñas Park was the first memorial park project of the Company and was established to exploit the growing communities being developed by VLL and other real estate companies at the time. Golden Haven Las Piñas Park is comprised of a gross land area of 15.0 hectares resulting in a total of 31,418 memorial lots of varying packages. As of 31 December 2015, 29,678 memorial lots have been launched or offered to the market, of which a total of 29,373 memorial lots have been sold.

Golden Haven Las Piñas Park's classical design features various types of lots, ossuaries and columbaries.

Golden Haven Cebu Park

Golden Haven Cebu Park started in 2003 and with a total land area of 6.8 hectares. As of the date of this Prospectus, the Company has completed and offered to the public a total of 11,768 memorial lots of various sizes. In 2012, the Company acquired an adjacent 6.5-hectare property for the expansion of the Golden Haven Cebu Park, as a result of which a total of 12,460 additional memorial lots have been developed. As of 31 December 2015, Golden Haven Cebu Park has a total of 11,162 memorial lots in inventory.

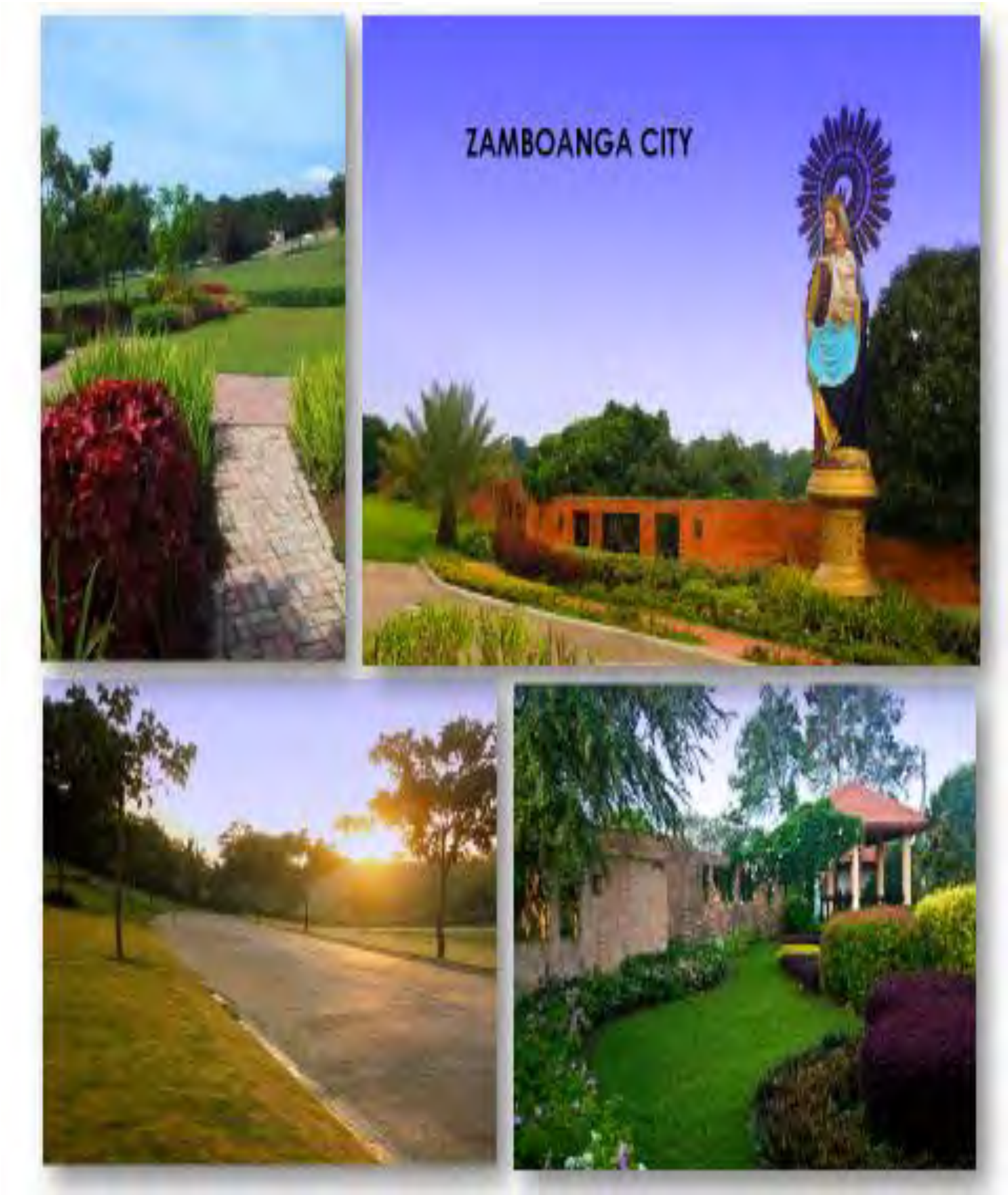
Golden Haven Cebu Park is known for its garden designs inspired by famous landscapes from Europe and Asia.

Golden Haven Cagayan de Oro Park

Golden Haven Cagayan de Oro Park was launched in 2008 and has a total gross land area of 11.0 hectares. At its current stage of development, the Company has completed a total of 15,053 memorial lots of varying packages. As of 31 December 2015, 15,053 memorial lots have been launched and offered to the market, of which a total of 9,619 memorial lots have been sold.

Golden Haven Cagayan de Oro Park is noted for the Christ the Redeemer Statue situated at the highest point of the park, overlooking the themed landscaping inspired by famous gardens from all over the world.

Golden Haven Zamboanga Park



Golden Haven Zamboanga Park was launched in 2009 and has a total gross land area of 5.5 hectares. The Company has completed and launched a total of 10,389 memorial lots of various sizes to the public. In 2015, the Company acquired an adjacent 3.2-hectare property for the expansion of the Golden Haven Zamboanga Park, as a result of which a total of 7,583 additional memorial lots have been developed. As of 31 December 2015, the Zamboanga project has a remaining inventory of 8,791 memorial lots.

The Spanish-inspired Golden Haven Zamboanga Park is noted for its "Nuestra de Senora" theme, with monuments of religious icons displayed around the park paying homage to the patron saint of Zamboanga.

Golden Haven Iloilo Park

Golden Haven Iloilo Park was launched in 2013 and has a gross land area of 6.0 hectares and a total of 15,005 memorial lots of varying packages. As of 31 December 2015, 9,829 memorial lots have been launched, of which a total of 7,847 memorial lots have been sold. Approximately 1.4 hectares of land forming part of the Golden Haven Iloilo Park remain undeveloped and reserved for future expansion.

In May 2015, the Company acquired a 1.4 hectare property adjacent to the Golden Haven Iloilo Park, which has likewise been earmarked for future expansion.

Golden Haven Iloilo Park is noted for its sprawling Garden Gate frontage leading into its themed “Gardens of the Americas”, accented by numerous fountain nodes scattered around the park.

Golden Haven Bulacan Park

Golden Haven Bulacan Park was recently launched in 28 March2015 and has a gross land area of 4.4 hectares and a total of 10,741 memorial lots of varying packages. As of December 31 2015, 4,057 lots have been launched and offered to the market, of which a total of 2,292 memorial lots have been sold.

Golden Haven Bulacan Park is noted for its South American-inspired theme with a towering Christ the Redeemer Statue, engendering an atmosphere reminiscent of Rio de Janerio.

Recent Acquisitions

On January 2016, the Company entered into agreements for the purchase of a six-hectare memorial park in Bambang, Nueva Vizcaya and a 2.2 hectare park in San Fernando. Pampanga. Summary information on these acquired properties is as follows:

Name	**Location**	**Land Area (hectares)**	**Est. Available Lots (at completion)**	**Expected Sales Launch**
Golden Haven Nueva Vizcaya	Bambang, Nueva Vizcaya	6.0	18,800	2nd Quarter 2016

Name	Location	Land Area (hectares)	Est. Available Lots (at completion)	Expected Sales Launch
Park				
Golden Haven Pampanga Park	San Fernando. Pampanga	2.2	5,600	2nd Quarter 2016

As of the date of this Prospectus, the Company has made initial payments to the respective sellers of the foregoing properties to enable the Company to take immediate possession thereof and commence its re-development activities. However, until full payment of the purchase price for each property, title to the underlying lands as well as the memorial parks and lots themselves will remain with the respective sellers.

The Company's newly-acquired properties in Nueva Vizcaya and Pampanga are currently under re-development to conform these memorial parks to the Company's design and quality standards. The Company expects to complete the re-development and commence the sale of memorial lots for these projects within the second quarter of 2016.

Columbaries

The Company also offers columbarium vaults in its columbaries such as the Ezekiel Complex in Las Piñas, as well as those established and operated within its existing memorial parks, namely, within the Golden Haven Las Piñas Park, the Golden Haven Cebu Park, the Golden Haven Cagayan de Oro Park, and the Golden Haven Zamboanga Park. Each vault is approximately 300 cm by 370 cm by 500 cm and can accommodate up to four regular-sized urns. The Company also offers premium vaults depending on the columbarium; these are vaults which are at or about eye-level.

As with its memorial lots, at full payment, the Company issues to its purchasers certificates evidencing the purchaser's perpetual right to use the vault. Each certificate also includes the Company's undertaking to be liable for real estate and any other taxes that may be imposed on the columbarium, and the undertaking to operate, maintain or cause the maintenance of the facility. To address these future and continuing obligations, the cost of these undertakings (or anticipated cost thereof) is included into the purchase price for a vault, and a portion of the proceeds collected from purchasers is allocated into a maintenance fund in the form of a fund managed by a third party manager. Income from this maintenance fund is then used to finance the operating and maintenance costs of the columbarium.

As of the date of this Prospectus, the Company's existing maintenance funds (or the income from such maintenance funds) for the memorial parks where its four columbaries are located, namely, the Golden Haven Las Piñas Park, the Golden Haven Cebu Park, the Golden Haven Cagayan de Oro Park and the Golden Haven Zamboanga Park, likewise service the Company's maintenance obligations in respect of such columbaries. For a more detailed discussion on the terms of the Company's escrow and fund management agreement with the fund manager, see "Maintenance Funds" on page 61 of this Prospectus.

The Company allows the purchaser of a vault to nominate any person as the intended user thereof. A purchaser may likewise transfer the perpetual right to use such vault to any other party subject to compliance with the Company's procedures and regulations regarding such transfers.

As of 31 December 2015, Golden Haven has a total of five columbarium projects summarized in the table below:

Location	Launch Date	Levels	No. Of Vaults Launched for Sale	No. of Remaining Launched Inventory
Ezekiel Complex	2011	8	11,392	3,151
Golden Haven Las Piñas Park	2002, 2007 & 2008	5	963	133
Golden Haven Cebu Park	2010, 2011 & 2012	5	702	318
Golden Haven Cagayan de Oro Park	2013	6	456	274
Golden Haven Zamboanga Park	2014	5	244	197

Each of the Company's columbaries is designed with classical or neo-classical themes and constructed with quality materials such as glass, marble and granite to give the impression of solidity, permanence and tranquility. These developments include ample parking spaces and congregation areas for religious services.

DEVELOPMENT AND OPERATIONS

Development and Operation of Death Care Facilities

In developing a death care facility, the Company conducts a site evaluation to assess the suitability of a property for development into any one type of death care facility, such as a memorial park, a columbarium, a crematorium or whether such property is best suited for ancillary services such as memorial chapels. Aside from property costs, land access, water and power supply and other infrastructure determine a site's suitability for each type of death care facility. The Company simultaneously conducts a market assessment, considering potential market size, the income levels and the presence of established competition in the area.

After a favorable feasibility study, the Company begins the project development process starting with the process of securing regulatory approvals and clearances from various government departments, including the DENR, the LLDA and, if necessary, the DAR, as well as the local government units having jurisdiction over the project area. For more information on the regulations applicable to the Company and its business, see "Regulatory and Environmental Matters" on page 67 of this Prospectus.

Concurrent with its regulatory compliance efforts, the Company undertakes the process of master planning, design and engineering. Golden Haven has its own architects, engineers, and design experts to plan its developments and at present has a total design and development team of 16 employees. On occasion, the Company may engage third party architects, designers and planners. Design and architectural and engineering development timetables vary by project, depending on its scale and design.

Once a project has received a development permit form the relevant local government unit, the Company then applies for a permit to sell from the HLURB to allow the pre-selling of memorial lots and columbarium niches.

Land development, landscaping, infrastructure, and construction work for the Company's projects are all contracted out to various independent contractors. Over its history, the Company has utilized a total of 56 independent contractors and is not dependent on any single firm or contractor.

In general, the Company enters into fixed-priced contracts, awarded after a bidding process, with its contractors, with the cost of materials included as part of the contract price. Payments are generally on a percentage of completion or milestone basis. In each development, contractors are managed and evaluated by a project manager, directly employed by the Company.

Project duration from launch to completion for a memorial park project or a columbarium project typically takes anywhere from one to two years, depending on the scale and size of the memorial park project or the columbarium project.

After completion of a project, the Company then engages independent contractors to operate and maintain its memorial parks and columbarium facilities. These contractors customarily provide the security, janitorial, gardening and repair and maintenance requirements of each development. The Company engages several firms, based on a competitive selection process and for fixed terms or durations, and is not dependent on any single provider for each of these various services.

However, because of the technical and highly-specialized nature of memorial services and cremations, the Company intends to restrict the management and operation of its memorial service facilities and its crematorium to in-house personnel, rather than rely on contracted or third party personnel. Each memorial service facility or crematorium will have its own manager, accounting and administrative, and customer support staff as well as the technical experts providing the services offered.

The Company has likewise standardized its maintenance protocols, including periodic re-planting, repainting and other maintenance activities that each contractor is expected to comply with,

Maintenance Funds

Since the sale of the Company's memorial lots and columbarium vaults require it to perform certain future and perpetual obligations, such as the payment of real estate and any other taxes that may be imposed on the memorial park or the columbarium facility, as well as the continuing operation or maintenance thereof, the Company has established perpetual care funds or maintenance funds designed to address these future and continuing obligations.

In general, the cost of these undertakings (or anticipated cost thereof) is incorporated into the purchase price for the memorial lot or the columbarium vault in the form of a one-time maintenance fee, and a portion of the proceeds collected from purchasers is then allocated into the relevant maintenance fund. Where the sale of the product is by way of installments, this maintenance fee is likewise collected ratably from each installment and set aside for such purpose.

The Company's maintenance funds typically take the form of funds escrowed with, and managed by, a third party manager under an escrow and management agreement entered into by the Company for this purpose, and the income from such maintenance funds are then used to finance the operating and maintenance costs of the applicable death care facility. Under this fund management arrangement:

- The Company has no right to amend the fund management arrangements established that may in any way reduce or impair the principal of the maintenance fund, or divert income thereof to any purpose other than the perpetual care and maintenance of the relevant memorial park or columbarium, including expenses for the maintenance and preservation of the scenery, background and landscape of its areas, cleaning, pruning and maintenance of the grounds, boundaries, walks, roadways and structures. Any release of income from the maintenance fund must be supported by receipts, billing statements, statements of account and similar documents evidencing the use of such funds for the maintenance and administrative costs of the relevant memorial park or columbarium.

- The Company has no right or authority to decrease the principal amount of the maintenance fund except for major rehabilitation of the relevant memorial park or columbarium as a result of natural calamities, fire, earthquake, typhoons, floods, civil war and the like.

- The escrow agent and fund manager may, in its sole discretion, invest the maintenance funds into the following forms of investments: (i) treasury notes or bills, BSP Certificates of Indebtedness or other government securities, bonds or other evidence of indebtedness, the servicing and repayment of which are fully guaranteed by the Government, (ii) deposits with the fund manager and other banks, and (iii) loans or investments upon the direction of the Company or of a court of competent jurisdiction or other competent authority in writing indicating the nature of the transaction, the borrower's or other party's name, the amount involved and the collateral, if any.

- In the event that the income of the maintenance fund for a period is not adequate, the balance of any repair and maintenance expenses is then financed directly by the Company.

As of the date of this Prospectus, the escrow agent and manager of each of the Company's existing maintenance funds is BDO Unibank, Inc., acting through its Trust and Investments Group.

The size of the fund for a project is a result of an actuarial model which considers number of memorial lots or niches available, the present value of the annual budget for maintenance, assumptions on the returns the maintenance fund will generate, among other factors. Ultimately, the amount charged to purchasers will depend on the necessary amount of the fund and the memorial lot package or niche acquired.

The Company has established, and presently maintains, a separate maintenance fund for each of its memorial parks, other than the Golden Haven Iloilo Park and the Golden Haven Bulacan Park, which had only been recently launched in 2013 and 2015, respectively. These maintenance funds, or the income from these maintenance funds, likewise service the Company’s maintenance obligations in respect of its columbarium facilities located within the pertinent memorial parks.

The Company intends to create a separate maintenance fund for the Golden Haven Iloilo Park within 2016 and one for the Golden Haven Bulacan Park by 2018. Each of the foregoing funds is expected to be established under the same or similar terms as the Company’s existing maintenance funds, and would therefore be escrowed and managed by the Company’s present fund manager.

As of 31 December 2015, the balance of the Company’s maintenance funds in the aggregate amounted to ₱128.80 million.

MARKETING AND SALES

Target Market

The Company believes that purchasers of its memorial lots, niches and eventually, its memorial services, are typically heads of households, between 25 to 55 years of age, with a median family income of between ₱75,000 to ₱100,000, and have generally attained financial stability.

In general, clients purchase the Company’s memorial lots and niches in advance or before the need for such products arises.

The Company believes that proximity to the home of a prospective client dictates such client’s decision to purchase a death care product or avail of death care services. Accordingly, the Company has built, and it will continue to build, death care facilities, products and services in various strategic locations across the country. The Company also believes that rising incomes and economic development in the provinces will drive demand for its products throughout the Philippines.

Sales and Agency Network

The Company has over 4,000 independent accredited agents organized into 149 sales networks located nationwide to generate sales of memorial lots and columbarium vaults.

The Company’s agents are compensated solely on a commission basis. Agents are generally not exclusive and can offer real estate packages and other product and service offerings, including products and services that may compete with those of the Company.

The Company, through its internal marketing and sales organization, manages and monitors the performance of its sales teams and individual agents. Aside from the evaluation, training and management of the Company’s independent agents, its sales and marketing organization is responsible for market evaluations, pricing and credit packages, and the preparation of marketing materials such as fliers and brochures. As of the date of this Prospectus, the Company has a total of 28 employees directly responsible for its sales and marketing functions.

Pricing and Instalment Plans

The price of a memorial lot or niche is location specific and is dependent on several factors, including the cost of land, development and construction costs and the estimated operating costs of a memorial park or columbarium, pricing of competitors within proximity of the development, income levels of the target market, among other considerations.

Selling of prospective memorial parks and niches begin as soon as the Company has completed securing all of the necessary government approvals and has completed the preparation of marketing materials. At launch, the Company has a pre-determined the number of memorial lots or niches to be offered at the launch price.

Succeeding releases of memorial lots and niches are at increasing prices, depending on market demand and the acquisition of any necessary government approval.

Aside from cash purchases, the Company also offers instalment plans for its memorial lots and niches allowing for monthly payments over a term of between one to five years. Mandatory down payment is typically in between 15% to 20% of the purchase price. Monthly amortizations are inclusive of an effective interest rate of 6% to 15% per annum depending on the term of the instalment plan.

Instalment sales are documented through a purchase agreement between the purchaser and the Company. Under these agreements, in the event of a default, the purchaser forfeits all rights to the subject memorial park lot or columbarium vault. Any refund, if proper, shall be governed by the applicable laws at the time of the purchase; otherwise, the Company retains all payments made by the purchaser as liquidated damages.

The Company believes that through the combination of its customer selection process, pricing and instalment plans, it has adequately managed the risk of defaults.

Upon full payment of a memorial lot or the niche, the Company issues to its purchasers a certificate evidencing the buyer's perpetual right to use the memorial lot or the niche, as applicable.

EMPLOYEES

The following table provides a breakdown of the Company's regular employees as of 31 December 2015:

Department	Headcount
Operations……………………………….	30
Technical…………………………………	16
Administration……………………………	39
Total…………………………….	85

The Company has no collective bargaining agreements with its employees and none of its employees belong to a labor union. The Company believes its relationships with its employees are generally good.

Considering the expansion of the Company's memorial park and columbarium projects and the launch of its memorial services and crematorium within 2016, the Company expects to increase headcount by five to seven for each new death care facility by the end of 2016. The Company does not expect to incur any difficulties in the recruitment of these additional employees**.**

HEALTH, SAFETY AND ENVIRONMENT

The Company regards occupational safety, employees' health and welfare, and the protection of the environment as key corporate and social responsibilities. In all of its existing memorial parks and columbaries and in all of its future developments, the Company ensures and will ensure that it will operate in compliance with health, safety and environmental standards.

For more information on the regulations applicable to the Company and its business, including health, safety and environmental regulations, see "Regulatory and Environmental Matters" on page 67 of this Prospectus.

As of the date of this Prospectus, there are no pending, outstanding or imminent disputes, findings or cases against the Company involving occupational safety, health or environmental matters.

COMPETITION

The Philippine death care industry is fragmented. Companies within the industry provide only segments of the death care value chain which covers a range of products and services starting from memorial services (inclusive of embalming, cleaning, and cosmetic restoration), memorial chapel spaces leased out for the wake period prior to cremation or burial, death care merchandise sales (caskets, urns, keepsakes, tombstones, and other similar products), cremation, burial services, to the sale of memorial lots and columbarium niches.

Although the Company believes that, within 2016, it will be the only fully integrated death care products and services provider in the Philippines, the Company competes against other service providers of various segments of the death care value chain.

For the sale of memorial lots, the Company competes against large developers such as the Manila Memorial Parks Group, the Holy Cross Memorial Parks Group, the Eternal Gardens Memorial Parks Group and the Forest Lake Memorial Parks Group.

The Manila Memorial Parks Group is one of the oldest memorial park developers in the country. Established in 1964, this group has a total of six memorial parks covering approximately 427 hectares of land. While the Manila Memorial Parks Group has a memorial park in Cebu and another in Davao, most of its developments are within Metro Manila and surrounding provinces.

The Holy Cross Memorial Parks Group started in 1983 and to date has 10 memorial parks, four of which are located in Metro Manila and another four (4) parks in other provinces in Luzon. The company also has one memorial park in Iloilo and another in South Cotabato.

The Eternal Gardens Memorial Parks Group was founded in 1976 and has 10 memorial parks, of which nine are in Luzon. The company has one park in Cagayan de Oro. Lastly, the Forest Lake Memorial Parks Group has 13 memorial park developments, majority of which are located in Mindanao.

Aside from the foregoing major developers, the Company competes against smaller memorial park developers throughout the country. These would typically be family owned corporations with memorial park projects in a particular province.

There are likewise several developers of columbarium projects in the country. The Company believes that most of these developers would be single-project companies, typically in Metro Manila and surrounding provinces. Several parish churches in Metro Manila have built small columbaries within or adjacent to the church compound which are offered to the public.

With respect to memorial services, the Company will compete against several established companies in the country, such as St. Peter Chapels, La Funeraria Paz, Loyola Memorial Chapels and the Cosmopolitan Memorial Chapels.

St. Peter Chapels started 1975 and is considered one of the largest memorial service providers in the country, serving over 1.5 million plan holders. The company has over 200 chapels, either company-owned, tie-ups, or franchised, in 12 branches nationwide. The company also offers memorial and cremation services in several of its branches.

La Funeraria Paz offers memorial and cremation services and has five branches with a total of 93 chapels. The company’s top three branches, covering 75 chapels are located in Metro Manila. Similarly, Loyola Memorial Chapels and Crematorium, which was established in 1972 is focused on serving the Metro Manila market. All of the company’s six branches are located within Metro Manila.

Cosmopolitan Memorial Chapels was established in 1950 and is one of the largest memorial service providers in the Visayan region. The company has a total of 15 branches, 10 of which are in provinces in the Visayas and five in provinces in Mindanao. The company also offers cremation services in some of its branches.

PROPERTIES

The Company’s key properties consist of its lands (raw and partially-developed) designated or undergoing development into death care facilities, its death care facilities such as its memorial parks and columbaries (existing and under construction) and its inventory of the memorial lots and/or columbarium vaults available for sale to the public. Except as otherwise discussed in this Prospectus, the Company holds legal and/or beneficial title to each of its existing death care facilities, including the land on which such death facilities have been built or are intended to be built.

As of 31 December 2015, the Company has a total of six memorial parks with details summarized in the table below:

				As of 31 December 2015		
Project Name	**Location**	**Gross Land Area (in hectares)**	**Total No. of Sellable Lots**	**No. of Lots Launched for Sale**	**No. of Lots Sold**	**Remaining Lot Inventory**
Golden Haven Las Piñas Park	C5 Road Pulang Lupa, Las Piñas	15.00	31,418	29,678	29,373	2,045
Golden Haven Cebu Park	Brgy. Binaliw 1, Tambalan Hills, Cebu	6.79	11,768	11,768	8,969	2,799
Golden Haven Cebu Park Expansion		6.53	12,460	6,042	4,097	8,363
Golden Haven Cagayan de Oro Park	Macapagal Road, Bulua Heights, CDO	11.02	15,053	15,053	9,619	5,434
Golden Haven Zamboanga Park	Ma. Clara Lobregat Highway, Boalan, Zamboanga	5.50	10,389	10,389	8,973	1,416
Golden Haven Zamboanga Park Expansion		3.20	7,583	2,173	208	7,375
Golden Haven Iloilo Park*	Brgy. San Jose, San Miguel, Iloilo	6.00	15,005	9,829	7,847	7,158
Golden Haven Bulacan Park	Sitio Compara, San Mateo, Norzagaray, Bulacan	4.44	10,741	4,057	2,292	8,449
TOTAL		**58.46**	**114,417**	**88,989**	**71,378**	**43,039**

**Excluding the 1.4 hectare property adjacent to Golden Haven Iloilo Park acquired by the Company on May 2015. This area is expected to be utilized for future expansion of Golden Haven Iloilo Park.*

In addition, in January 2016, the Company entered into agreements for the purchase of a six-hectare memorial park in Bambang, Nueva Vizcaya and a 2.2 hectare memorial park in San Fernando. Pampanga. Summary information on these acquired properties is as follows:

Name	**Location**	**Land Area (hectares)**
Golden Haven Nueva Vizcaya Park	Bambang, Nueva Vizcaya	6.0
Golden Haven Pampanga Park	San Fernando. Pampanga	2.2

As of the date of this Prospectus, the Company has made initial payments to the respective sellers of the foregoing properties to enable the Company to take immediate possession thereof and commence its re-development activities. However, until full payment of the purchase price for each property, title to the underlying lands as well as the memorial parks and lots themselves will remain with the respective sellers.

On the other hand, as of 31 December 2015, the Company has a total of five columbarium facilities with details summarized in the table below:

Location	**Levels**	**No. of Vaults Launched for Sale**	**No. of Vaults Remaining (Inventory)**
Ezekiel Columbarium	8	11,392	3,151
Golden Haven Las Piñas Park	5	963	133
Golden Haven Cebu Park	5	702	318
Golden Haven Cagayan de Oro Park	6	456	274
Golden Haven Zamboanga Park	5	244	197

Notwithstanding the sale of any of its memorial lots or columbarium vaults, title thereto is retained by the Company and a purchaser only receives certificates evidencing his or her perpetual right to use the memorial lot or columbarium vault. This perpetual right, however, may be transferred to any person designated by the original purchaser subject to compliance with the Company's procedures and regulations regarding such transfers.

Certain of the lands forming part of the Golden Haven Las Piñas Park and Golden Haven Cebu Park are subject to encumbrances, including rights of way and public easements granted to third parties including the Government. The Company believes that none of such encumbrances, rights of way or public easements materially affect its title to or ownership of the relevant lands, or the value thereof.

In addition, certain lands held by the Company remain registered in the names of the previous owners thereof. However, as of the date of this Prospectus, ownership over such lands has been acquired by the Company via duly executed and fully-consummated deeds of sale executed with such prior owners, and each such purchase has been either annotated, in the process of being annotated on the relevant certificates of title covering such lands or proceedings for the cancellation of the prior certificate of title and the issuance of a new certificate of title in the name of the Company have been initiated.

Intellectual Property

The Company owns a variety of intellectual property rights for its brands, including the trade or business name "Golden Haven" and the Golden Haven trademark, and has applications for registration of additional trademarks, including the Santuario de San Ezekiel Moreno trademark, pending with the Intellectual Property office. These trademarks are important in the aggregate because name recognition and exclusivity of use are contributing factors to the success of the Company's developments.

Insurance

The Company has insurance coverage for its real and personal properties, columbaries and its main office, covering fire, lighting, earthquake, typhoon and flood. The Company also maintains motor vehicle insurance, and death and total or partial disability for its employees with benefits depending on the employee's position in the Company. However, there is no assurance that the amount of cover will be adequate in the event of a covered event or that the insurers will pay in claims promptly and in full.

The Company does not carry any business interruption insurance.

Legal Proceedings

The Company is not involved in, or the subject of any legal proceedings which, if determined adversely against the Company, would have a material effect on its business, operations or financial standing.

REGULATORY AND ENVIRONMENTAL MATTERS

Zoning and Land Use

Death care industry encompasses funeral homes, memorial parks or cemeteries and crematoria. Zoning is the delineation or division of a city or municipality into functional zones where only specific land uses are allowed.

Local Government Code

Land use may be limited by zoning ordinance enacted by Local Government Units ("LGUs"). Lands may be classified under zoning ordinances as commercial, industrial, residential or agricultural. The appropriate *Sanggunian Bayan* or the *Sangguniang Panglungsod* has the power to enact integrated zoning ordinances in consonance with the approved comprehensive land use plan.

The *Sangguniang Bayan* or the *Sangguniang Panglusod* also has the power to regulate the establishment, operation, and maintenance of funeral parlors and the burial or cremation of the dead.

Agrarian Reform Law

Under Republic Act No. 6657, otherwise known as the "Comprehensive Agrarian Reform Law of 1988", the approval by the DAR is necessary for the reclassification or conversion of land to non-agricultural use.

National Building Code of the Philippines

Presidential Decree No. 1096, otherwise known as the "National Building Code of the Philippines", establishes the framework of minimum standards and requirements for all buildings and structures by guiding, regulating, and controlling their location, site, design, quality of materials, construction, use, occupancy, and maintenance, including their environment, utilities, fixtures, equipment, and mechanical electrical, and other systems and installations.

A building permit from the Building Official shall be required in all construction, alteration, repair, movement, conversion or demolition of any building or structure.

Funeral establishments, memorial parks or cemeteries and crematoria must comply with the pertinent provisions of the National Building Code of the Philippines.

Housing and Land Use Regulatory Board

Executive Order No. 648 series of 1981 ("E.O. No. 648"), as amended by Executive Order No. 90, declared the HLURB as the planning, regulatory and quasi-judicial instrumentality of the government for land use development. HLURB has the power to promulgate zoning and other land use control standards and guidelines which shall govern land use plans and zoning ordinances of LGUs. Pursuant to this, HLURB enacted rules and regulations for memorial parks or cemeteries and funeral establishments.

Funeral Establishments

HLURB, pursuant to E.O. No. 648, issued the "Implementing Rules and Regulations to Govern the Processing of Applications for Locational Clearance of Funeral Establishments" ("IRR for Funeral Establishments") on 10 March 1999. These regulations set out the guidelines for the application of locational clearance, design standards and necessary permits for the operation of funeral establishments.

Under the IRR for Funeral Establishments, funeral establishments are classified into three categories: (a) Category I - funeral establishments with chapels and embalming facilities and offering funeral services; (b) Category II - funeral establishments with chapels and offering funeral services without embalming facilities; and (c) Category III - funeral establishments offering only funeral services from the house of the deceased to the burial place. Depending on the category, a funeral establishment may only be established within a specific zone.

A locational clearance is required for all proposed funeral establishments. In addition, all funeral establishments must comply with the Code on Sanitation of the Philippines on sanitary permits and sanitary requirements for funeral chapels, embalming and dressing room and morgue.

The DOH and the respective LGU shall have the authority to monitor funeral establishments.

Memorial Parks or Cemeteries

HLURB, pursuant to E.O. No. 648, promulgated the "Rules and Regulations for Memorial Parks/Cemeteries". These regulations set out the guidelines for the development and operations of proposed and existing memorial parks or cemeteries and define location restrictions, design parameters and road specifications.

All memorial parks or cemeteries must be located in areas zoned for cemetery purposes, in accordance with the comprehensive land use plan or zoning ordinance, or in the absence thereof, in areas deemed appropriate by the HLURB. They shall not be allowed in environmentally critical areas, as defined in Presidential Proclamation No. 2146 series of 1981, or on grounds where water table is not higher than four and 4.50 meters below ground surface as certified by the National Water Resources Board ("NWRB").

The LGU concerned must approve the Preliminary Memorial Park or Cemetery Plan and Final Memorial Park or Cemetery Plan. Approval of the Preliminary Memorial Park or Cemetery Plan shall be valid only for a period of one hundred eight days from date of approval and may be revalidated once after expiration of said period.

The approval of the Final Memorial Park or Cemetery Plan is shown by the issuance of a development permit by the LGU concerned. The development permit shall be valid for a period of two years from date of issue; however, if physical development is not commenced within said period, the grantee of the permit may apply for its revalidation within the next succeeding year. If development permit expires, no development shall be allowed unless a new application for approval is filed.

All existing memorial parks or cemeteries, or proposed memorial parks or cemeteries which are being developed for perpetual lease or sale of plots and has accomplished at least 20% of the total development, must be registered with the HLURB is necessary. The survey returns of the mother title including the technical description of each lot (i.e., section and block with number of lots per block in each section of the lot), which shall form part of the certificate of lease or deed of sale, shall be registered with the HLURB. No owner or dealer shall lease or sell any plot without a license issued by the HLURB.

Crematoria

The Rules and Regulations for Memorial Parks/Cemeteries also set out the minimum requirements for the construction of crematoria. All crematoria must comply with design parameters such as types of rooms, design of the smoke stack and crematorium oven temperature.

Code on Sanitation of the Philippines

Presidential Decree No. 856 ("P.D. No. 856"), otherwise known as the "Code on Sanitation of the Philippines", is the consolidation of health laws and regulation on sanitation to ensure that protection and promotion of health. Chapter XXI of P.D. No. 856 covers the disposal of dead persons. The sanitary requirements for funeral establishments, memorial parks or cemeteries and crematoria are laid out in the Code on Sanitation. The Regional Health Director, or his duly authorized representative, shall have the authority to monitor and implement the sanitary rules and regulations.

The DOH, through Administrative Order No. 2010-0033 ("DAO No. 2010-0033") issued on 6 December 2010, has promulgated revised implementing rules and regulations to regulate the practice of embalming. Embalmers are required to obtain license from the DOH, which is renewable every three years, before they are allowed to practice. DAO No. 2010-033 has also expanded the coverage of communicable diseases, which require documentary requirements for the deceased to be transported from the place of death to burial or cremation.

Funeral Establishments

Funeral establishments are required to obtain sanitary permit issued by the local health office, which shall be valid for one year ending on the last day of December and shall be renewed every first month of the year.

Memorial parks or cemeteries

Memorial parks or cemeteries are required to obtain operational clearance issued by the regional health director and sanitary permit issued by the local health office.

Crematoria

All crematoria shall submit a feasibility study reviewed by the regional health office and approved by the Secretary of Health. A sanitary permit issued by the local health office shall also be required of all crematoria. The sanitary permit shall be valid for one year ending on the last day of December and shall be renewed every first month of the year.

Environmental Laws

Philippine Environmental Impact Statement System

The Philippine Environmental Impact Statement System was established by virtue of Presidential Decree No. 1586. Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an Environmental Compliance Certificate ("ECC") prior to project construction and operation. Through its regional offices or through the Environmental Management Bureau ("EMB"), the DENR determines whether a project is environmentally critical or located in an environmentally critical area.

As a prerequisite for the issuance of an ECC, an environmentally critical project is required to submit an Environmental Impact Statement ("EIS") to the EMB while a project in an environmentally critical area is generally required to submit an Initial Environmental Examination ("IEE") to the proper DENR regional office, without prejudice to the power of the DENR to require a more detailed EIS. The EIS refers to both the document and the environmental impact assessment of a project, including a discussion of direct and indirect consequences to human welfare and ecology as well as environmental integrity. The IEE refers to the document and the study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas.

While the terms and conditions of an EIS or an IEE may vary from project to project, at a minimum, they contain all relevant information regarding the environmental effects of a project. The entire process of organization, administration and assessment of the effects of any project on the quality of the physical, biological and socio-economic environment as well as the design of appropriate preventive, mitigating and enhancement measures is known as the EIS system. The EIS system successfully culminates in the issuance of an ECC.

The ECC is a government certification that (i) the proposed project or undertaking will not cause a significant negative environmental impact, (ii) the proponent has complied with all the requirements of the EIS system, and (c) the proponent is committed to implement its approved environmental management plan in the EIS or, if an IEE was required, that it will comply with the mitigation measures suggested therein. The ECC contains specific measures and conditions that the project proponent must undertake before and during the operation of a project, and in some cases, during the abandonment phase of the project to mitigate identified environmental impact.

Project proponents that prepare an EIS are required to establish an Environmental Guarantee Fund ("EGF") when the ECC is issued to projects determined by the DENR to pose significant public risks to life, health, property and the environment. The EGF is intended to answer for damages caused by such projects as well as any rehabilitation and restoration measures. Project proponents that prepare an EIS are mandated to include a commitment to establish an Environmental Monitoring Fund ("EMF") when an ECC is eventually issued. The EMF shall be used to support activities of a multi-partite monitoring team that will be organized to monitor compliance with the ECC and applicable laws, rules, and regulations.

All development projects, installations and activities that discharge liquid waste into and pose a threat to the environment of the Laguna de Bay Region are also required to obtain a discharge permit from the Laguna Lake Development Authority.

Memorandum Circular No. 005-14 issued by the EMB on 7 July 2014 provides EMB with the guidelines in determining whether a proposal has potential impact to the environment. Criteria used in the categorization includes, among others, the likelihood, duration, frequency and magnitude of the potential impact as well as the spatial and temporal extent of the projected impact. To facilitate the expedient screening, a ready matrix for determining the category in which proposed projects fall is provided. Memorial parks or cemeteries with an area of more than five hectares while funeral establishments and crematoria with an area of more than one hectare are required to secure an ECC.

Philippine Clean Air Act of 1999

Republic Act No. 8749, otherwise known as the "Philippine Clean Air Act of 1999", focuses primarily on pollution prevention and provides for a comprehensive management program for air pollution. The law bans burning of municipal, biomedical and hazardous waste. However, crematoria are expressly exempt from this prohibition.

Consistent with the policies of said law, all planned sources of air pollution that have the potential to emit 100 tons per year or more of any regulated air pollutant, or when required under the ECC, must secure an Authority to Construct from the EMB prior to commencement of construction or modification activities. Once new source construction or modification is completed, the source owner shall request the EMB to convert to Authority to Construct to Permit to Operate. The Authority to Construct is a one-time permit. Permit to Operate is valid for the period specified but not beyond one year from the date of issuance, unless sooner suspended or revoked. It may be renewed at least thirty days before its expiration date.

Philippine Clean Water Act of 2004

Republic Act No. 9275, otherwise known as the "Philippine Clean Water Act of 2004", focuses primarily on water quality management in all water bodies and the abatement and control of pollution from land based sources. All owners or operators of facilities that discharge regulated effluents pursuant to this Act are required to secure a permit to discharge. The discharge permit shall be the legal authorization granted by the DENR to discharge wastewater.

Ecological Solid Waste Management Act

Republic Act No. 9003, otherwise known as the "Ecological Solid Waste Management Act of 2000", provides the legal framework for the systematic, comprehensive, and ecological solid waste management program which shall ensure protection of the public health and the environment. Solid waste management is required to be observed by funeral establishments, memorial parks or cemeteries and crematoria, in accordance with the Code on Sanitation of the Philippines.

Property Taxation

Real property taxes are payable annually based on the property's assessed value. The assessed value of property and improvements vary depending on the location, use and the nature of the property. Land is ordinarily assessed at 20% to 50% of its fair market value; buildings may be assessed at up to 80% of their fair market value; and machinery may be assessed at 40% to 80% of its fair market value. Real property taxes may not exceed 2% of the assessed value in municipalities and cities within Metro Manila or in other chartered cities and 1% in all other areas. An additional special education fund tax of 1% of the assessed value of the property is also levied annually.

BOARD, MANAGEMENT AND CERTAIN SHAREHOLDERS

Board of Directors and Management

Under the Company's articles of incorporation, as amended, the Board is composed of five directors.[2] The Board is responsible for the overall management and direction of the Company. The Board meets regularly every [month] and as often as necessary, to be provided with updates on the business of the Company and to be consulted on (and, where appropriate, participate in) material decisions affecting the Company, its business, assets and operations.

No person can be elected as a director of the Company unless he or she is a registered owner of at least one voting share of the capital in the Company. Each director has a term of one year and is elected annually at the Company's shareholders meeting which is held every first Saturday of April unless rescheduled. A director who was elected or appointed to fill a vacancy holds the office only for the unexpired term of the predecessor.

As of the date of this Prospectus, the following individuals are members of the Company's Board of Directors and executive officers:

Name	Age	Citizenship	Position
Jerry M. Navarrete	61	Filipino	Director, Chairman of the Board and President
Joy J. Fernandez	50	Filipino	Director and Treasurer
Michael G. Regino	54	Filipino	Director
Maribeth C. Tolentino	51	Filipino	Director
Rosario H. Javier	63	Filipino	Director
●	●	●	Independent Director
●	●	●	Independent Director
Roy Joseph S. Fernandez	49	Filipino	Chief Financial Officer and Chief Information Officer
Timothy Joseph M. Mendoza	34	Filipino	Corporate Secretary

Below are summaries of the business experience and credentials of the Company's directors and executive officers.

JERRY M. NAVARRETE, *Director, Chairman of the Board and President.* Mr. Navarrete graduated from the Lyceum of the Philippines with a Bachelor's degree in Economics and from Ateneo de Manila University with a Master's degree in Business Administration. He previously worked as research analyst with Aguilar Shipping for one year and was the General Manager of the Company from 1984 until 1987. Mr. Navarrete has been with the Villar Group of Companies for more than 35 years and currently serves as the President of Starmalls, Inc. and Fine Properties, Inc. He has been the President of the Company since January 2016.

JOY J. FERNANDEZ, *Director and Treasurer*. Ms. Fernandez graduated from the Central Philippine University with a Bachelor's degree in Commerce and from the Royal Melbourne Institution of Technology as a chartered accountant associate. She previously served as the Comptroller of the Company from October 2009 until June 2015. Ms. Fernandez currently serves as the Chief Operating Officer of MGS Construction, Inc. and has been the Treasurer of the Company since June 2015.

MICHAEL G. REGINO, *Director*. Mr. Regino graduated from Ateneo de Zamboanga University with a Bachelor's degree in Economics and from Ateneo de Manila University with a Master's degree in Business Administration. He previously served as the President of the Company from December 2005 until December 2015. Mr. Regino currently serves as the President of Triton Exploration Corp. and as director of Prime Resources Holdings, Inc. and TVI Resource Development Phils., Inc.

MARIBETH C. TOLENTINO, *Director*. Ms. Tolentino is a Certified Public Accountant and graduated from the University of the East with a Bachelor's degree in Business Administration. She previously served as the General Manager of the Company from 1999 to 2005. Ms. Tolentino currently serves as the President of Vista

[2] On [● 2016], the Corporation filed an application to increase the members of its Board from five to seven, two of whom are independent.

Residences, Inc., Camella Homes, Inc. and Household Development Corporation and as director of Vista Land & Lifescapes, Inc., Vista Residences, Inc. and Camella Homes, Inc.

ROSARIO H. JAVIER, *Director*. Ms. Javier graduated from the University of the Philippines with a Bachelor's degree in Political Science. She previously served as the Corporate Secretary of the Company from April 1984 until December 2015. Ms. Javier currently serves as the President of Prescription Holdings Limited, Inc., the Corporate Secretary of MB Villar Company, the Treasurer of Infra Holdings Corp., a director of Links Holdings & Prop., Inc., and a director of Ultimate Holdings, Inc.

ROY JOSEPH S. FERNANEZ, *Chief Financial Officer and Chief Information Officer*. Mr. Fernandez is a Certified Public Accountant and graduated from the De la Salle University with a Bachelor's degree in Accounting and from Asian Institute of Management with a Master's degree in Business Administration. He previously served as the General Manager of Brittany Corporation and eBusiness Services, Inc. and the Operations Director of Western Union Financial Services (HK) Ltd. He currently serves as the Head of Operations of All Home Corporation and has been the Chief Financial Officer and Chief Information Officer of the Company since March 2016.

TIMOTHY JOSEPH M. MENDOZA, *Corporate Secretary*. Atty. Mendoza graduated from Ateneo de Manila University with a Bachelor's degree in Political Science and from the University of the Philippines with a Bachelors of Laws degree. He is currently a partner at the Picazo Buyco Tan Fider & Santos law offices and serves as the Corporate Secretary of San Carlos Solar Energy, Inc., Negros Island Solar Power, Inc. and the First Greenmeadows Homeowners' Association, Inc.

Significant Employees

While the Company values the contribution of each executive and non-executive employee, there is no non-executive employee that the resignation or loss of whom would have a significant adverse effect on the business of the Company. Other than standard employment contracts, there are no arrangements with non-executive employees that will assure the continued stay of these employees with the Company.

Family Relationships

There are no family relationships either by consanguinity or affinity up to the fourth civil degree among directors, executive officers and nominees for election as directors.

Involvement in Certain Legal Proceedings

As of the date of this Prospectus, the Company does not know of any other pending litigation, within the last five years, to which it or any of its affiliate, or of which any of their property is the subject:

To the best knowledge of the Company, none of its present directors or executive officers has been subject to the following:

- Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- 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;
- Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC 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.

Executive Compensation

The following table sets forth the aggregate compensation received by its key management officers:

	Aggregate Compensation Paid as a Group **In ₱ millions**		
	2015	*2014*	*2013*
CEO and the 4 most highly compensated officers of the Company namely:	9,414,859	7,720,269	6,221,896

Karlo G. Magpayo*
Analyn Anero
Ernaliza Cadacio
Bernadette Malbas
*Starting January 1, 2015 only

Compensation of Directors

Each director of the Company receives a per diem allowance of ₱15,000 determined by the Board of Directors for attendance in a Board meeting and a ₱15,000 allowance for attendance in a committee meeting. Except as disclosed above, none of these Directors receive any additional compensation for any special assignments.

Except for each of the individual Directors' participation in the Board, no Director of the Company enjoys other arrangements such as consulting contracts or similar arrangements.

Employment Contracts, Termination of Employment, Change-in-Control Arrangements

There are no special employment contracts between the Company and the named executive officers.

Warrants and Options held by the Executive Officers and Directors

There are no outstanding warrants or options held by the Company's Chief Executive Officer, the named executive officers, and all officers and directors as a group.

Corporate Governance

The Company submitted its Manual on Corporate Governance (the "Manual") with the SEC on [● 2016] in accordance with SEC Memorandum No. 6 (series of 2009), as amended. The Company and its directors, officers and employees comply with best practices and principles on good corporate governance as embodied in the Manual. An evaluation system has been established by the Company to measure or determine the level of compliance by the Board and top management with its Manual.

Independent Directors

The Manual requires the Company to have at least two independent directors in the Board. An independent director is defined as a person who has not been an officer or employee of the Company, its subsidiaries or affiliates or related interests during the past three years counted from date of his election, or any other individual having a relationship with the Company, its parent, subsidiaries or related interest, or to any of the Company's director, officer or stockholder holding shares of stock sufficient to elect one seat in the board of directors or any of its related companies within the fourth degree of consanguinity or affinity, legitimate or common-law, which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Committees of the Board

Pursuant to the Company's Manual, the Board will create the committees below and will appoint members thereto.

Audit Committee

The Company's Audit Committee is responsible for assisting the Board in its fiduciary responsibilities by providing an independent and objective assurance to its management and shareholders of the continuous improvement of its risk management systems, business operations and the proper safeguarding and use of its resources and assets. The Audit Committee provides a general evaluation of and assistance in the overall improvement of its risk management, control and governance processes.

The Audit Committee checks all financial reports against compliance with Manual, pertinent accounting standards, and regulatory requirements; performs oversight financial management functions; pre-approves all audit plans and interacts directly with the external auditors of the Company; seeks to elevate to international standards the accounting and auditing processes and practices of the Company; and seeks to develop a transparent financial management system to better ensure the integrity of internal control activities throughout the Company.

The Audit Committee must be comprised of at least three members, one of whom shall be an independent director.

Compensation and Remuneration Committee

The Compensation and Remuneration Committee seeks to establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provides oversight over remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Company's culture, strategy and control environment. The Compensation and Remuneration Committee also establishes a formal and transparent procedure for developing a policy on executive remuneration, develops a form on full business interest disclosure as part of the pre-employment requirements for all incoming officers, which among others, compels all officers to declare under the penalty of perjury, any existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired by the Company, and reviews the Company's human resources development or personnel handbook. The Compensation and Remuneration Committee must have at least three members, one of whom must be an independent director.

Nomination Committee

The Company's Nomination Committee is responsible for providing shareholders with an independent and objective evaluation of and assurance that the members of its Board are competent and will foster the Company's long-term success and secure its competitiveness. In that respect, the Nomination Committee formulates the screening policies to enable it to effectively review the qualification of the nominees for independent directors and conducts nominations of independent directors prior to the shareholders' meetings in accordance with the procedures set forth under the SRC. The Nomination Committee must have at least three members, one of whom must be an independent director.

Investor Relations Office

The Company's Investor Relations unit has been tasked to establish an Investor Relations Committee that will be responsible for ensuring that all of the Company's shareholders have access to official announcements, disclosures and publicly available information regarding the Company.

The Investor Relations Committee will also be responsible for receiving and responding to investor and shareholder queries and in ensuring that investors and shareholders have easy and direct access to the Company's officially designated spokespersons.

The Company has appointed Mr. Roy Joseph S. Fernandez as its Chief Information Officer (CIO). The CIO will ensure that the Company complies with and files on a timely basis all required disclosures and continuing requirements of the SEC and the PSE.

The Investor Relations Unit will be located in the Company's Head Office with contact details as follows:

Landline: +63(2) 873-2922/873-2543
Email: ir@goldenhaven.com.ph
Website: goldenhaven.com.ph

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

As of the date of this Prospectus, the following persons own at least 5% of the Company's outstanding Common Shares:

Title of Class	Name, Address of Record Owners and relationship with the issuer	Name of Beneficial Owner and relationship with record owner	Citizenship	No. of shares held	% of class
Common	**Fine Properties, Inc.** *Parent* Address: 3rd Level Starmall Las Piñas, CV Starr Avenue, Philam Village, Las Piñas City	The record owner is also the beneficial owner.	Filipino	412,057,800	98.109%
Total Common Shares				**412,057,800**	**98.109%**

Fine Properties

Fine Properties was incorporated as a stock corporation under the Corporation Code of the Philippines on 28 June 1982 under SEC Registration No. 105578. The company's principal registered office is at 31 Starmall Las Piñas City CV Starr Ave., Philamlife Village, Pamplona 2 Las Piñas, Metro Manila.

The company has an authorized capital stock of ₱200,000,000 divided into 1,000,000 common shares with a par value of ₱100.00 per share and 1,000,000 preferred shares with a par value of ₱100.00 per share, out of which 980,000 common shares and 827,783 preferred shares have been subscribed and fully paid-up.

The company is engaged in the business of investing in, purchasing, or otherwise acquiring, owning and holding any and all kinds of real and personal properties.

Security Ownership of Management

The table below sets forth the security ownership of management as of the date of this Prospectus:

Title of Class	Name and Address of Beneficial Owner	Citizenship	Amount and Nature of Beneficial Ownership		% of class
Common	**Jerry M. Navarrete** No. 333 Sineguelasan Bacoor, Cavite	Filipino	2,835,000	Direct	0.675%
Common	**Maribeth C. Tolentino** Block 1 Lot 2 Merida Subdivision BF Resort Village Talon, Las Piñas City	Filipino	2,835,000	Direct	0.675%
Common	**Joy J. Fernandez** Block 11 Lot 3 Joshua Street Camella Las Piñas Classic Pilar, Las Piñas City	Filipino	2,268,000	Direct	0.54%

Title of Class	Name and Address of Beneficial Owner	Citizenship	Amount and Nature of Beneficial Ownership		% of class
Common	**Michael G. Regino** No.1 Job corner Corinthian Street Camella Las Piñas Classic Pilar, Las Piñas City	Filipino	2,100	Direct	nil
Common	**Rosario H. Javier** Block 4 Lot 30 Camella Homes Las Piñas 6 Brgy. Tungtong, Las Piñas City	Filipino	2,100	Direct	nil
Total Common Shares			**7,942,200**		**1.89%**

Voting Trust

The Company is unaware of any person holding more than 5% of shares under a voting trust or similar agreement.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company, in the ordinary course of its business, engages in transactions with related parties. The Company's policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

As of the date of this Prospectus, the following are the significant transactions of the Company in the normal course of business with related parties, as reflected in the audited financial statements of the Company:

Lease of Office Space

The Company leases its main office from a [stockholder]. The lease is renewable annually.

Other Major Transactions

- The Company has outstanding receivables from Fine Properties, its parent, and other related parties under common ownership amounting to ₱70.2 million as of 31 December 2015.

- The Company has outstanding payables from related parties amounting to ₱18.4 million as of 31 December 2015, for the working capital requirements of the said related parties.

For further information on the Company's related party transactions, including detailed breakdowns of amounts receivable from and amounts payable to related parties, see Note 16 of the Company's consolidated financial statements for the year ended December 31, 2013, 2014 and 2015, included in this Prospectus.

Agreements among Certain Shareholders

As of the date of this Prospectus and except as otherwise disclosed herein, there are no existing agreements among or between the shareholders.

DESCRIPTION OF THE COMMON SHARES

The following is general information relating to the Company's capital stock but does not purport to be complete or to give full effect to the provisions of the law and is in all respects qualified by reference to the applicable provisions of the Company's amended articles of incorporation and by-laws.

SHARE CAPITAL

The Company was incorporated on 16 November 1982 with an authorized capital stock of ₱3,600,000 divided into 36,000 common shares with a par value of ₱100.00 per share, out of which ₱900,000 were fully subscribed and paid-up.

On 5 July 1991, the SEC approved the Company's application to increase its authorized capital to ₱20,000,000 divided into 200,000 common shares with a par value of ₱100.00 per share.

On 17 March 2016, the SEC approved the Company's application to increase its authorized capital from ₱20,000,000 divided into 200,000 common shares with a par value of ₱100.00 per share to its present authorized capital, that is, ₱1,000,000,000 divided into 996,000,000 common shares with a par value of ₱1.00 per share (application also covered a change in par value per share from ₱100.00 to ₱1.00) and 400,000,000 voting, non-participating preferred shares with a par value of ₱0.01 per share. Out of the increase in the authorized capital stock, 400,000,000 common shares worth ₱400,000,000 have been subscribed and paid up through the declaration of stock dividends by the Company on 8 March 2016.

As of the date of this Prospectus, the Company has (i) an authorized capital stock of ₱1,000,000,000 divided into 996,000,000 Common Shares and 400,000,000 Preferred Shares with a par value of ₱0.01 per share; and (ii) 420,000,000 Common Shares issued and outstanding, all of which have been fully paid-up.

Market Information

As of the date of this Prospectus, the Common Shares have not been traded in any market nor have they been subject to outstanding options or warrants to purchase, or securities convertible into Common Shares of the Company. Prior to the Offer, there has been no public trading market for any of the Company's Common Shares.

Holders of the Company's Common Shares

As of the date of this Prospectus, the following are the holders of record of the Company's Common Shares as set forth in the table below:

Shareholder	No. Of Shares Subscribed	% Ownership
Fine Properties, Inc.	412,057,800	98.109%
Jerry M. Navarrete	2,835,000	0.675%
Maribeth C. Tolentino	2,835,000	0.675%
Joy J. Fernandez	2,268,000	0.54%
Michael G. Regino	2,100	nil
Rosario H. Javier	2,100	nil
TOTAL	**420,000,000**	**100%**

Note: The dilutive effect of the issuance of the Offer Shares on the abovementioned shareholders prior to the Offer assumes that the existing shareholders will not subscribe to the Offer Shares.

RIGHTS RELATING TO THE SHARES

Voting Rights

The Company's Common Shares have full voting rights.

At each meeting of the shareholders, every common stockholder entitled to vote on a particular question or matter involved shall be entitled to one vote for each share of stock standing in his name in the books of the Company at the time of closing of the transfer books for such meeting.

The Corporation Code provides that voting rights cannot be exercised with respect to shares declared delinquent, treasury shares, or if the shareholder has elected to exercise his rights of appraisal referred to below.

Dividend Rights

Under Philippine law, a corporation can only declare dividends to the extent that it has unrestricted retained earnings that represent the undistributed earnings of the corporation which have not been allocated for any managerial, contractual or legal purposes and which are free for distribution to the shareholders as dividends. A corporation may pay dividends in cash, by the distribution of property or by the issuance of shares. Stock dividends may only be declared and paid with the approval of shareholders representing at least two-thirds of the issued and outstanding capital stock of the corporation voting at a shareholders' meeting duly called for the purpose.

The Company's Board of Directors is authorized to declare cash or stock dividends or a combination thereof. A cash dividend declaration requires the approval of the Board and no shareholder approval is necessary. A stock dividend declaration requires the approval of the Board and shareholders representing at least two-thirds of the Company's outstanding capital stock. Holders of outstanding shares on a dividend record date for such shares will be entitled to the full dividend declared without regard to any subsequent transfer of shares.

As of the date of this Prospectus, the Company has not approved a specific dividend policy, and may declare dividends upon the recommendation of the Board. Such recommendation will take into consideration factors such as the Company's general financial condition, its operating expenses, the implementation of its business plans, and availability of working capital, among other factors.

Pre-Emptive Rights

The Corporation Code confers pre-emptive rights on shareholders of a Philippine corporation, which entitle them to subscribe to all issues or other disposition of shares of any class by the corporation in proportion to their respective shareholdings, subject to certain exceptions. A Philippine corporation may provide for the exclusion of these pre-emptive rights in its articles of incorporation.

The articles of incorporation of the Company currently contain such a denial of pre-emptive rights applicable to all classes of shares issued by the Company and, therefore, further issues or disposition of shares of the Company (including treasury shares) can be made without offering such shares on a pre-emptive basis to the Company's existing shareholders.

Derivative Rights

Philippine law recognizes that the right of a shareholder to institute proceedings on behalf of the corporation in a derivative action in circumstances where the corporation itself is unable or unwilling to institute the necessary proceedings to redress wrongs committed against the corporation or to vindicate corporate rights as, for example, where the directors themselves are the malefactors.

Appraisal Rights

The Corporation Code grants a shareholder the right of appraisal in certain circumstances where he or she has dissented and voted against a proposed corporate action, including:

- In case any amendment of the articles of incorporation has the effect of changing or restricting the rights of any shareholders 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;

- 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 the Corporation Code;

- In case of merger or consolidation; and

- In case the corporation invests corporate funds in another corporation or business or for any other purpose.

In these circumstances, the dissenting shareholder may require the corporation to purchase its shares at a fair value, which in default of agreement is determined by three disinterested persons, one of whom shall be named by the shareholder, one by the corporation, and the third by the two thus chosen. The designated commercial courts of the regional trial court in a given city or province will, in the event of a dispute, determine any question about whether a dissenting shareholder is entitled to this right of appraisal. The remedy will only be available if the corporation has unrestricted retained earnings sufficient to support the purchase of the shares of the dissenting shareholders. From the time the shareholder makes a demand for payment until the corporation purchases such shares, all rights accruing on the shares, including voting and dividend rights, shall be suspended, except the right of the shareholder to receive the fair value of the share.

Disclosure Requirements/Right of Inspection

Philippine corporations are required to file a general information sheet which sets forth data on their management and capital structure and copies of their annual financial statements with the SEC. Corporations must also submit their annual financial statements to the BIR. Corporations whose shares are listed on the PSE are also required to file current, quarterly and annual reports with the SEC and the PSE. Shareholders are entitled to require copies of the most recent financial statements of the corporation, which include a balance sheet as of the end of the most recent tax year and a profit and loss statement for that year. Shareholders are also entitled to inspect and examine the books and records that the corporation is required by law to maintain.

Change in Control

As of the date of this Prospectus, the Company's articles of incorporation and by-laws do not contain any provision that will delay, deter or prevent a change in control of the Company.

Restrictions on the Issuance and Disposal of Common Shares

Under the PSE Listing Rules, an applicant company that applies to list on the Main Board through a primary offering shall be subject to the lock-up requirements prescribed by the PSE.

In particular, Part D, Section 2 of the PSE Listing Rules for the Main and SME Boards of the PSE provide that an applicant company shall cause its existing stockholders who own an equivalent of at least 10% of the issued and outstanding shares of stock of such company to refrain from selling, assigning or in any manner disposing of their shares for the following periods counted from the date of listing of such shares: (a) 180 days, if the applicant company meets the track record requirements set forth in Section 1 of the PSE Listing Rules for the Main and SME Boards of the PSE; or (b) 365 days, if the applicant company is exempt from the track record and operating history requirements of the PSE Listing Rules for the Main and SME Boards of the PSE.

In addition, if there is any issuance or transfer of shares (*i.e.*, private placements, asset for shares swap or a similar transaction) or instruments which lead to issuance of shares (*i.e.*, convertible bonds, warrants or a similar instrument) done and fully paid for within 180 days prior to the start of the offering period, and the transaction price is lower than that of the offer price, all shares availed of shall be subject to a lock-up period of at least 365 days from full payment of the aforesaid shares.

In compliance with the PSE Listing Rules, the Company has filed an application to incorporate the foregoing lock-up requirements in its articles of incorporation.

Fine Properties, Inc., which holds at least 10% of the issued and outstanding shares of stock of the Company, is covered by the foregoing lock-up restrictions.

Likewise, considering that, within 180 days prior to the Listing Date, all of the Company's existing stockholders were issued Common Shares at less than the initial listing price of [up to ₱10.63], the Common Shares they have acquired are likewise subject to the lock-up restrictions for a period of 365 days from the date when such Common Shares are fully paid (or deemed fully paid) by and issued to them.

The Company's shareholders and their respective Common Shares covered by the foregoing lock-up provisions are as follows:

Shareholder	Common Shares Subject to 180-day Lock-up	Common Shares Subject to 365-day Lock-up
Fine Properties, Inc.	19,621,800	392,436,000
Jerry M. Navarrete	N/A	2,700,000
Michael G. Regino	N/A	2,000
Joy J. Fernandez	N/A	2,160,000
Rosario H. Javier	N/A	2,000
Maribeth C. Tolentino	N/A	2,700,000
[Independent Director]	[1]	N/A
[Independent Director]	[1]	N/A

To implement the lock-up restrictions of the PSE, the Company and all of its existing shareholders have entered into an escrow agreement with ●, a ● authorized to act as escrow agent for this purpose. A copy of this escrow agreement will be submitted to the PSE as part of the Company's application for Listing.

Other than the foregoing and subject to the restrictions on the issuance and transfer of the Company's shares due to nationality restrictions on the capital ownership in corporations that own land, there are no other restrictions on the issuance or disposal of the Common Shares.

Other Features and Characteristics of Common Shares

The Common Shares are neither convertible nor subject to mandatory redemption. All of the Company's issued Common Shares are fully paid and non-assessable and free and clear from any and all liens, claims and encumbrances. All documentary stamp tax due on the issuance of all Common Shares has been fully paid.

RECENT ISSUANCE OF EXEMPT SECURITIES

On 17 March 2016, after approval by the SEC of the increase of the Company's authorized capital stock from ₱20,000,000 to ₱1,000,000,000, the Company issued Common Shares to the persons and in the amounts indicated below pursuant to the foregoing capital increase and in implementation of the distribution of stock dividends declared by the Company on 8 March 2016:

Name of Stockholder	Issued Common Shares	Subscription Price (₱)
Fine Properties, Inc.	392,436,000	392,436,000
Jerry M. Navarrete	2,700,000	2,700,000
Maribeth C. Tolentino	2,700,000	2,700,000
Joy J. Fernandez	2,160,000	2,160,000
Michael G. Regino	2,000	2,000
Rosario H. Javier	2,000	2,000
TOTAL	400,000,000	**₱400,000,000**

The distribution by a corporation of securities to its stockholders or other security holders as a stock dividend or other distribution out of surplus is exempt from registration under the SRC.

ISSUE OF SHARES

Subject to otherwise applicable limitations, the Company may issue additional Common Shares to any person for consideration deemed fair by the Board, provided that such consideration shall not be less than the par value of the issued Common Shares. No share certificates shall be issued to a subscriber until the full amount of the subscription together with interest and expenses (in case of delinquent shares) has been paid and proof of payment of the applicable taxes shall have been submitted to the Company's Corporate Secretary.

SHARE CERTIFICATES

Certificates representing the Common Shares will be issued in such denominations as shareholders may request, except that certificates will not be issued for fractional shares. Shareholders wishing to split their certificates may do so upon application to the Company's stock transfer agent. Shares may also be lodged and maintained under the book-entry system of the PDTC.

MANDATORY TENDER OFFER

Under the SRC which took effect on 8 August 2000 and its implementing rules and regulations, it is mandatory for any person or group of persons acting in concert intending to acquire (a) at least 35% of outstanding voting shares in a public company; or (b) at least 35% of outstanding voting shares of a public company within a period of 12 months, or (c) any acquisition of equity shares in a public company that would result in the ownership of over 50% of the total outstanding equity of such public company, to make a tender offer to all the shareholders of the target corporation on the same terms. The term "public company" refers to a corporation: (i) with a class of equity securities listed in an exchange (e.g. the PSE); or (ii) with assets of at least 50 million and having 200 or more shareholders with at least 100 shares each. In the event that the securities tendered pursuant to such an offer exceed that which the acquiring person or group of persons is willing to take up, the securities shall be purchased from each tendering shareholder on a pro-rata basis.

No mandatory tender offer is required in: (i) purchases of shares from unissued capital stock unless it will result in a 50 % or more ownership of shares by the purchaser or such percentage that is sufficient to gain control of the Board; (ii) purchases from an increase in the authorized capital stock; (iii) purchases in connection with a foreclosure proceedings involving a pledge or security where the acquisition is made by the debtor or creditor; (iv) purchases in connection with privatization undertaken by the government of the Philippines; (v) purchases in connection with corporate rehabilitation under court supervision; (vi) purchases through an open market at the prevailing market price; or (vii) purchases resulting from a merger or consolidation.

FUNDAMENTAL MATTERS

The Corporation Code provides that certain significant acts may only be implemented with shareholders' approval. The following require the approval of shareholders representing at least two-thirds of the issued and outstanding capital stock of the corporation in a meeting duly called for the purpose:

- amendment of the articles of incorporation;
- removal of directors;
- sale, lease, exchange, mortgage, pledge or other disposition of all or a substantially all of the assets of the corporation;
- investment of corporate funds in any other corporation or business or for any purpose other than the primary purpose for which the corporation was organized;
- issuance of stock dividends;
- amendment of by-laws or delegation to the board of directors of the power to amend or repeal by-laws or adopt new by-laws;
- merger or consolidation;
- an increase or decrease in capital stock;
- extension or shortening of the corporate term;
- creation or increase of bonded indebtedness; and
- voluntary dissolution of the corporation.

STOCK TRANSFER AGENT

Unionbank of the Philippines, acting through its Trust Investment & Services Group, shall act as the Stock Transfer Agent for the purpose of authenticating and registering transfer of the Offer Shares as set forth in the Stock Transfer Agreement.

ACCOUNTING AND AUDITING REQUIREMENTS

Philippine stock corporations are required to file copies of their annual financial statements with the SEC. Corporations whose shares are listed on the PSE are also required to file quarterly financial statements (for the first three quarters) with the SEC and the PSE. Shareholders are entitled to request copies of the most recent financial statements of the corporation which include a balance sheet as at the end of the most recent tax year and a profit and loss statement for that year. Shareholders are also entitled to inspect and examine the books and records that the corporation is required by law to maintain.

The Board is required to present to shareholders at every annual meeting a financial report of the operations of the Company for the preceding year. This report is required to include audited financial statements.

THE PHILIPPINE STOCK MARKET

The information presented in this section has been extracted from publicly available documents which have not been prepared or independently verified by us, the Issue Manager and Lead Underwriter, or any of their respective subsidiaries, affiliates or advisors in connection with the Offer and sale of the Offer Shares.

Brief History

The Philippines initially had two stock exchanges, the Manila Stock Exchange, which was organized in 1927, and the Makati Stock Exchange, which began operations in 1963. Each exchange was self-regulating, governed by its respective Board of Governors elected annually by its members.

Several steps initiated by the Philippine government have resulted in the unification of the two bourses into the PSE. The PSE was incorporated in 1992 by officers of both the Makati and the Manila Stock Exchanges. In March 1994, the licenses of the two exchanges were revoked. While the PSE maintains two trading floors, one in Makati City and the other in Pasig City, these floors are linked by an automated trading system, which integrates all bids, and ask quotations from the bourses.

In June 1998, the SEC granted the Self-Regulatory Organization status to the PSE, allowing it to impose rules as well as implement penalties on erring trading participants and listed companies. On August 8, 2001, the PSE completed its demutualization, converting from a non-stock member-governed institution into a stock corporation in compliance with the requirements of the SRC. The PSE had an authorized capital stock of 97.8 million shares, of which 61,258,733 shares were subscribed and fully paid-up as of June 30, 2013. Each of the 184 member-brokers was granted 50,000 common shares of the new PSE at a par value of ₱1.00 per share. In addition, a trading right evidenced by a "Trading Participant Certificate" was immediately conferred on each member broker allowing the use of the PSE's trading facilities. As a result of the demutualization, the composition of the PSE Board of Governors was changed, requiring the inclusion of seven brokers and eight non-brokers, one of whom is the President.

On December 15, 2003, the PSE listed its shares by way of introduction at its own bourse as part of a series of reforms aimed at strengthening the Philippine securities industry.

Classified into financial, industrial, holding firms, property, services, and mining and oil sectors, companies are listed either on the PSE's Main Board or the Small, Medium and Emerging Board. Recently, the PSE issued Rules on Exchange Traded Funds ("ETF") which provides for the listing of ETFs on an ETF Board separate from the PSE's existing boards. Previously, the PSE allowed listing on the First Board, Second Board or the Small, Medium and Enterprises Board. With the issuance by the PSE of Memorandum No. CN-No. 2013-0023 dated June 6, 2013, revisions to the PSE Listing Rules were made, among which changes are the removal of the Second Board listing and the requirement that lock-up rules be embodied in the articles of the incorporation of the Company. Each index represents the numerical average of the prices of component shares. The PSE has an index, referred to as the PHISIX, which as at the date thereof reflects the price movements of selected shares listed on the PSE, based on traded prices of shares from the various sectors. The PSE shifted from full market capitalization to free float market capitalization effective April 3, 2006, simultaneous with the migration to the free float index and the renaming of the PHISIX to PSEi. The PSEi is composed of shares of 30 selected companies listed on the PSE. On July 26, 2010, the PSE launched its current trading system, PSE Trade.

With the increasing calls for good corporate governance, the PSE has adopted an online daily disclosure system to improve the transparency of listed companies and to protect the investing public.

The table below sets out movements in the composite index as of the last business day of each calendar year from 1995 to 2015 and shows the number of listed companies, market capitalization, and value of shares traded for the same period:

Year	**Composite Index at Closing**	**Number of Listed Companies**	**Aggregate Market Capitalization**	**Combined Value of Turnover**
			(in ₱ billions)	*(in ₱ billions)*
1995	2,594.2	205	1,545.7	379.0
1996	3,170.6	216	2,121.1	668.8
1997	1,869.2	221	1,251.3	586.2
1998	1,968.8	222	1,373.7	408.7
1999	2,142.9	225	1,936.5	781.0
2000	1,494.5	229	2,576.5	357.7

2001	1,168.1	231	2,141.4	159.6
2002	1,018.4	234	2,083.2	159.7
2003	1,442.4	236	2,973.8	145.4
2004	1,822.8	235	4,766.3	206.6
2005	2,096.0	237	5,948.4	383.5
2006	2,982.5	239	7,173.2	572.6
2007	3,621.6	244	7,977.6	1,338.3
2008	1,872.9	246	4,069.2	763.9
2009	3,052.7	248	6,029.1	994.2
2010	4,201.1	253	8,866.1	1,207.4
2011	4,372.0	245	8,697.0	1,422.6
2012	5,812.7	254	10,952.7	1,771.7
2013	5,889.8	257	11,931.3	2,546.2
2014	7,230.6	263	14,251.7	2,130.1
2015	6,952.1	266	13,465.2	2,151.4

Source: PSE

Trading

The PSE is a double auction market. Buyers and sellers are each represented by stockbrokers. To trade, bid or ask prices are posted on the PSE's electronic trading system. A buy (or sell) order that matches the lowest asked (or highest bid) price is automatically executed. Buy and sell orders received by one broker at the same price are crossed at the PSE at the indicated price. Payment of purchases of listed securities must be made by the buyer on or before the third trading day (the settlement date) after the trade.

Beginning January 2, 2012, trading on the PSE starts at 9:30 a.m. until 12:00 p.m., when there will be a one and a half hour lunch break. In the afternoon, trading resumes at 1:30 p.m. and ends at 3:30 p.m., with a 10-minute extension during which transactions may be conducted, provided that they are executed at the last traded price and are only for the purpose of completing unfinished orders. Trading days are Monday to Friday, except legal holidays and days when the BSP clearing house is closed.

Minimum trading lots range from 5 to 1,000,000 shares depending on the price range and nature of the security traded. Odd-sized lots are traded by brokers on a board specifically designed for odd-lot trading.

To maintain stability in the stock market, daily price swings are monitored and regulated. Under current PSE regulations, when the price of a listed security moves up by 50% or down by 50% in one day (based on the previous closing price or last posted bid price, whichever is higher), the price of that security is automatically frozen by the PSE, unless there is an official statement from the company or a government agency justifying such price fluctuation, in which case the affected security can still be traded but only at the frozen price. If the Company fails to submit such explanation, a trading halt is imposed by the PSE on the listed security the following day. Resumption of trading shall be allowed only when the disclosure of the company is disseminated, subject again to the trading ban.

Settlement

The Securities Clearing Corporation of the Philippines ("SCCP") is a wholly-owned subsidiary of the PSE, and was organized primarily as a clearance and settlement agency for SCCP-eligible trades executed through the facilities of the PSE. SCCP received its permanent license to operate on January 17, 2002. It is responsible for:

- synchronizing the settlement of funds and the transfer of securities through Delivery versus Payment clearing and settlement of transactions of Clearing Members, who are also Trading Participants of the PSE;
- guaranteeing the settlement of trades in the event of a Trading Participant's default through the implementation of its Fails Management System and administration of the Clearing and Trade Guaranty Fund; and
- performance of Risk Management and Monitoring to ensure final and irrevocable settlement.

SCCP settles PSE trades on a three-day rolling settlement environment, which means that settlement of trades takes place three trading days after transaction date ("T+3"). The deadline for settlement of trades is 12:00 noon of T+3. Securities sold should be in scripless form and lodged under the book-entry system of the PDTC. Each PSE Broker maintains a Cash Settlement Account with one of the seven existing Settlement Banks of SCCP, which are Banco de Oro Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank and Trust Company, Deutsche Bank, HSBC Philippines, Unionbank of the Philippines and Maybank. Payment for securities bought should be in good, cleared funds and should be final and irrevocable. Settlement is presently on a broker level.

SCCP implemented its Central Clearing and Central Settlement system on May 29, 2006. CCCS employs multilateral netting, whereby the system automatically offsets “buy” and “sell” transactions on a per issue and a per flag basis to arrive at a net receipt or a net delivery security position for each Clearing Member. All cash debits and credits are also netted into a single net cash position for each Clearing Member. Novation of the original PSE trade contracts occurs, and SCCP stands between the original trading parties and becomes the Central Counterparty to each PSE-eligible trade cleared through it.

Scripless Trading

In 1995, the PDTC (formerly the Philippine Central Depository, Inc.), was organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines. On December 16, 1996, the PDTC was granted a provisional license by the SEC to act as a central securities depository.

All listed securities at the PSE have been converted into book-entry settlement in the PDTC. The depository service of the PDTC provides the infrastructure for lodgment (deposit) and upliftment (withdrawal) of securities, pledge of securities, securities lending and borrowing and corporate actions including shareholders’ meetings, dividend declarations and rights offerings. The PDTC also provides depository and settlement services for non-PSE trades of listed equity securities. For transactions on the PSE, the security element of the trade will be settled through the book-entry system, while the cash element will be settled through the current settlement banks, Banco de Oro Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank and Trust Company, Deutsche Bank, HSBC Philippines, Unionbank of the Philippines and Maybank.

In order to benefit from the book-entry system, securities must be immobilized into the PDTC system through a process called lodgment. Lodgment is the process by which shareholders transfer legal title (but not beneficial title) over their shares in favor of the PCD Nominee Corporation (“PCD Nominee”), a corporation wholly-owned by the PDTC, whose sole purpose is to act as nominee and legal title holder of all shares lodged in the PDTC. “Immobilization” is the process by which the warrant or share certificates of lodging holders are cancelled by the transfer agent and the corresponding transfer of beneficial ownership of the immobilized shares in the account of the PCD Nominee through the PDTC participant will be recorded in the issuing corporation’s registry. This trust arrangement between the participants and PDTC through the PCD Nominee is established by and explained in the PDTC Rules and Operating Procedures approved by the SEC. No consideration is paid for the transfer of legal title to the PCD Nominee. Once lodged, transfers of beneficial title of the securities are accomplished via book-entry settlement.

Under the current PDTC system, only participants (e.g. brokers and custodians) will be recognized by the PDTC as the beneficial owners of the lodged equity securities. Thus, each beneficial owner of shares, through his participant, will be the beneficial owner to the extent of the number of shares held by such participant in the records of the PCD Nominee. All lodgments, trades and uplifts on these shares will have to be coursed through a participant. Ownership and transfers of beneficial interests in the shares will be reflected, with respect to the participant’s aggregate holdings, in the PDTC system, and with respect to each beneficial owner’s holdings, in the records of the participants. Beneficial owners are thus advised that in order to exercise their rights as beneficial owners of the lodged shares, they must rely on their participant-brokers and/or participant-custodians.

Any beneficial owner of shares who wishes to trade his interests in the shares must course the trade through a participant. The participant can execute PSE trades and non-PSE trades of lodged equity securities through the PDTC system. All matched transactions in the PSE trading system will be fed through the SCCP, and into the PDTC system. Once it is determined on the settlement date (T+3) that there are adequate securities in the securities settlement account of the participant-seller and adequate cleared funds in the settlement bank account of the participant-buyer, the PSE trades are automatically settled in the SCCP Central Clearing and Central Settlement system, in accordance with the SCCP and PDTC Rules and Operating Procedures. Once settled, the beneficial ownership of the securities is transferred from the participant-seller to the participant-buyer without the physical transfer of stock certificates covering the traded securities.

If a shareholder wishes to withdraw his shareholdings from the PDTC system, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the upliftment of the shares lodged under the name of the PCD Nominee. The transfer agent shall prepare and send a Registry

Confirmation Advice to the PDTC covering the new number of shares lodged under the PCD Nominee. The expenses for upliftment are for the account of the uplifting shareholder.

The difference between the depository and the registry would be on the recording of ownership of the shares in the issuing corporations' books. In the depository set-up, shares are simply immobilized, wherein customers' certificates are cancelled and a confirmation advice is issued in the name of PCD Nominee to confirm new balances of the shares lodged with the PDTC. Transfers among/between broker and/or custodian accounts, as the case may be, will only be made within the book-entry system of the PDTC. However, as far as the issuing corporation is concerned, the underlying certificates are in the PCD Nominee's name. In the registry set-up, settlement and recording of ownership of traded securities will already be directly made in the corresponding issuing company's transfer agents' books or system. Likewise, recording will already be at the beneficiary level (whether it be a client or a registered custodian holding securities for its clients), thereby removing from the broker its current "de facto" custodianship role.

Amended Rule on Lodgment of Securities

On June 24, 2009, the PSE apprised all listed companies and market participants through Memorandum No. 2009-0320 that commencing on July 1, 2009, as a condition for the listing and trading of the securities of an applicant company, the applicant company shall electronically lodge its registered securities with the PDTC or any other entity duly authorized by the SEC, without any jumbo or mother certificate in compliance with the requirements of Section 43 of the SRC. In compliance with the foregoing requirement, actual listing and trading of securities on the scheduled listing date shall take effect only after submission by the applicant company of the documentary requirements stated in the amended rule on Lodgment of Securities of the PSE.

Pursuant to the said amendment, the PDTC issued an implementing procedure in support thereof to wit:

- For a new company to be listed at the PSE as of July 1, 2009, the usual procedure will be observed but the transfer agent of the company shall no longer issue a certificate to PCD Nominee but shall issue a Registry Confirmation Advice, which shall be the basis for the PDTC to credit the holdings of the depository participants on the listing date.

- On the other hand, for an existing listed company, the PDTC shall wait for the advice of the transfer agent that it is ready to accept surrender of PCD Nominee jumbo certificates and upon such advice the PDTC shall surrender all PCD Nominee jumbo certificates to the transfer agent for cancellation. The transfer agent shall issue a Registry Confirmation Advice to PDTC evidencing the total number of shares registered in the name of PCD Nominee in the listed company's registry as of confirmation date.

Further, the PSE apprised all listed companies and market participants on May 21, 2010 through Memorandum No. 2010-0246 that the Amended Rule on Lodgement of Securities under Section 16 of Article III, Part A of the Revised Listing Rules of the PSE shall apply to all securities that are lodged with the PDTC or any other entity duly authorized by the SEC.

For listing applications, the amended rule on lodgment of securities is applicable to:

- The offer shares/securities of the applicant company in the case of an initial public offering;

- The shares/securities that are lodged with the PDTC, or any other entity duly authorized by the SEC in the case of a listing by way of introduction;

- New securities to be offered and applied for listing by an existing listed company; and

- Additional listing of securities of an existing listed company.

Issuance of Stock Certificates for Certificated Shares

On or after the listing of the shares on the PSE, any beneficial owner of the shares may apply with PDTC through his broker or custodian-participant for a withdrawal from the book-entry system and return to the conventional paper-based settlement. If a shareholder wishes to withdraw his shareholdings from the PDTC system, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the uplifting of the shares lodged under the name of the PCD Nominee. The transfer agent shall prepare and send a Registry Confirmation Advice to the PDTC covering the new number of shares lodged under PCD Nominee. The expenses for upliftment are on the account of the uplifting shareholder.

Upon the issuance of stock certificates for the shares in the name of the person applying for upliftment, such shares shall be deemed to be withdrawn from the PDTC book-entry settlement system, and trading on such shares will follow the normal process for settlement of certificated securities. The expenses for upliftment of the shares into certificated securities will be charged to the person applying for upliftment. Pending completion of the upliftment process, the beneficial interest in the shares covered by the application for upliftment is frozen and no trading and book-entry settlement will be permitted until the relevant stock certificates in the name of the person applying for upliftment shall have been issued by the relevant company's transfer agent.

PHILIPPINE TAXATION

The following is a discussion of the material Philippine tax consequences of the acquisition, ownership and disposition of the Common Shares. This general description does not purport to be a comprehensive description of the Philippine tax aspects of the Common Shares and no information is provided regarding the tax aspects of acquiring, owning, holding or disposing of the Common Shares under applicable tax laws of other applicable jurisdictions and the specific Philippine tax consequence in light of particular situations of acquiring, owning, holding and disposing of the Common Shares in such other jurisdictions. This discussion is based upon laws, regulations, rulings, and income tax conventions (treaties) in effect at the date of this Prospectus. The tax treatment of a holder of Common Shares may vary depending upon such holder's particular situation, and certain holders may be subject to special rules not discussed below. This summary does not purport to address all tax aspects that may be important to a holder of Common Shares. Prospective holders of the Common Shares are urged to consult their own tax advisors as to the particular tax consequences of the ownership and disposition of the Common Shares, including the applicability and effect of any local or foreign tax laws. As used in this section, the term "resident alien" refers to an individual whose residence is within the Philippines and who is not a citizen thereof; a "non-resident alien" is an individual whose residence is not within the Philippines and who is not a citizen of the Philippines. A non-resident alien who is actually within the Philippines for an aggregate period of more than 180 days during any calendar year is considered a "non-resident alien doing business in the Philippines," otherwise, such non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year is considered a "non-resident alien not doing business in the Philippines." A "resident foreign corporation" is a non-Philippine corporation engaged in trade or business within the Philippines; and a "non-resident foreign corporation" is a non-Philippine corporation not engaged in trade or business within the Philippines.

Corporate Income Tax

In general, a tax of 30%is imposed upon the taxable net income of a domestic corporation from all sources (within and outside the Philippines). Gross interest income from Philippine currency bank deposits and yield from deposit substitutes, trust fund and similar arrangements as well as royalties from sources within the Philippines are, however, subject to a final withholding tax of 20% of the gross amount of such income.

Tax on Dividends

Individual Philippine citizens and resident aliens are subject to a final tax on dividends derived from the Common Shares at the rate of 10%, which tax shall be withheld by the Company.

Non-resident alien individuals engaged in a trade or business in the Philippines are subject to a final withholding tax on dividends derived from the Common Shares at the rate of 20%. A non-resident alien individual who comes to the Philippines and stays for an aggregate period of more than 180 days during any calendar year is considered engaged in a trade or business in the Philippines. Non-resident alien individuals not doing business in the Philippines are subject to a final withholding tax on dividends derived from the Common Shares at the rate of 25% subject to applicable preferential tax rates under tax treaties in force between the Philippines and the country of domicile of such non-resident alien individuals.

Dividends derived by domestic corporations (*i.e.*, corporations created or organized in the Philippines or under its laws) and resident foreign corporations from the Common Shares shall not be subject to tax.

Dividends received from a domestic corporation by a non-resident foreign corporation are generally subject to final withholding tax at the rate of 30%, subject to applicable preferential tax rates under tax treaties in force between the Philippines and the country of domicile of such non-resident foreign corporation. The 30% rate for dividends paid to non-resident foreign corporations that are domiciled in countries which do not have tax treaties with the Philippines may be reduced to a special 15% rate if:

- the country in which the non-resident foreign corporation is domiciled imposes no taxes on foreign-sourced dividends; or
- the country in which the non-resident foreign corporation is domiciled allows a credit equivalent to 15% against the tax due from the non-resident corporation taxes which are deemed to have been paid in the Philippines.

The BIR has prescribed, through an administrative issuance, procedures for availment of tax treaty relief. Subject to the approval by the BIR of a corporation's application for tax treaty relief, the corporation will withhold taxes at a reduced rate on dividends paid to a non-resident holder of the Common Shares if such non-resident holder provides the corporation with proof of residence and, if applicable, individual or corporate status. Proof of residence for an individual consists of a certification from his embassy, consulate or other proper authority as to his citizenship and residence. Proof of residence and corporate status for a corporation consists of authenticated copies of its articles of association, or other equivalent certifications issued by the proper government authority, or any other official document proving residence. If the regular rate of tax is withheld by the corporation instead of the reduced rates applicable under a treaty, the non-resident holder of the Common Shares may file a claim for a refund from the BIR. However, because the refund process in the Philippines requires the filing of an administrative claim and the submission of supporting information, and may also involve the filing of a judicial appeal, it may be impractical to pursue such a refund.

The term “non-resident holder” means a holder of the Common Shares:

- who is an individual who is neither a citizen nor a resident of the Philippines or an entity which is a foreign corporation not engaged in trade or business in the Philippines; and
- should a tax treaty be applicable, whose ownership of the Common Shares is not effectively connected with a fixed base or a permanent establishment in the Philippines.

Stock dividends distributed pro rata to any holder of shares are not subject to Philippine income tax. However, the sale, exchange or disposition of shares received as share dividends by the holder is subject to either capital gains tax and documentary stamp tax or stock transaction tax.

Sale, Exchange or Disposition of Common Shares

Capital gains tax, if sale was made outside the PSE

Net capital gains realized by a resident or non-resident other than a dealer in securities during each taxable year from the sale, exchange or disposition of shares outside the facilities of the PSE, unless an applicable treaty exempts such gains from tax or provides for preferential rates, are subject to tax as follows: 5.0% on gains not exceeding ₱100,000 and 10% on gains over ₱100,000. An application for tax treaty relief must be filed (and approved) by the Philippine tax authorities to obtain an exemption under a tax treaty.

The transfer of shares shall not be recorded in the Company’s books unless the BIR certifies that the capital gains and documentary stamp taxes relating to the sale or transfer have been paid or, where applicable, tax treaty relief has been confirmed by the International Tax Affairs Division of the BIR in respect of the capital gains tax or other conditions have been met.

Taxes on transfer of shares listed and traded at the PSE

Sales, exchanges or other dispositions of the Common Shares which are effected through the PSE by persons other than a dealer in securities are subject to a stock transaction tax at the rate of 0.5% based on the gross selling price of the Common Shares. This tax is required to be collected by and paid to the Philippine government by the selling stockbroker on behalf of his client. The stock transaction tax is classified as a percentage tax in lieu of a capital gains tax. Notwithstanding its classification as a percentage tax, exemptions from capital gains tax may also apply to the stock transaction tax under the terms of some tax treaties.

In addition, a value-added tax of 12% is imposed on the commission earned by the PSE registered broker, which tax is generally passed on to the client.

Subject to applicable tax treaty rates, a capital gains tax of 5% on the net capital gains realized during the taxable year, not in excess of ₱100,000, and 10% on the net capital gains realized during the taxable year, in excess of ₱100,000, is imposed on sales, exchanges or other dispositions of shares of stock not traded through a local stock exchange.

The Bureau of Internal Revenue has effectively expanded the application of the 5%/10% capital gains tax by extending it even to trades through the stock exchange of shares of listed companies which do not maintain their public ownership requirement. The BIR, in a letter dated 28 December 2010 addressed to the SEC, stated that it would “strictly impose the 5%/10% capital gains tax” for trades in listed companies “who will not maintain their public ownership requirement”, said public ownership requirement being the 10% to 33% public ownership levels (based on the listed company’s market capitalization) required for an initial public offering or IPO. This BIR letter was referred to the PSE by the SEC on 3 January 2011. The PSE subsequently issued a memorandum dated 20 January 2011 in response to the SEC on the BIR’s statements. The PSE noted that the Tax Code imposes a stock transaction tax of ½ of 1% of the gross selling price or gross value in money of shares of stock listed and traded on the PSE, without qualification and that the power of the Secretary of Finance to promulgate rules and regulations implementing the Tax Code should be confined to the details for the implementation of the law and does not include the power to amend the law.

Regardless, on 7 November 2012, the BIR issued regulations which provided that the tax treatment of sales or other dispositions of shares of stock of publicly listed companies which fail to meet the minimum public ownership after 31 December 2012 shall be subject to the 5%/10% capital gains tax and the documentary stamp tax.

Documentary Stamp Tax

The original issue of shares is subject to documentary stamp tax of ₱1.00 for each ₱200.00, or a fractional part thereof, of the par value of the shares issued. The transfer of shares is subject to a documentary stamp tax of ₱0.75 for each ₱200.00, or a fractional part thereof of the par value of the shares transferred. However, the sale, barter or exchange of shares of stock listed and traded through the local stock exchange shall not be subject to documentary stamp.

Estate and Gift Taxes

The transfer of the Common Shares upon the death of a registered holder to his heirs by way of succession, whether such an individual was a citizen of the Philippines or an alien, regardless of residence, will be subject to Philippine estate tax at progressive rates ranging from 5% to 20% if the net estate is over ₱200,000.

Individual registered holders, whether or not citizens or residents of the Philippines, who transfer Common Shares by way of gift or donation will be liable for Philippine donor's tax on such transfers at progressive rates ranging from 2% to 15% if the total net gifts made during the calendar year exceed ₱100,000. The rate of tax with respect to net gifts made to a stranger (one who is not a brother, sister, spouse, ancestor, lineal descendant or relative by consanguinity within the fourth degree of relationship) is a flat rate of 30%. Corporate registered holders are also liable for Philippine donor's tax on such transfers, but the rate of tax with respect to net gifts made by corporate registered holders is always at a flat rate of 30%.

Estate and gift taxes will not be collected in respect of intangible personal property, such as Common Shares of stock, (i) if the deceased at the time of death, or the donor at the time of donation, was a citizen and resident of a foreign country which at the time of his death or donation did not impose a transfer tax of any character in respect of intangible personal property of citizens of the Philippines not residing in that foreign country, or (ii) if the laws of the foreign country of which the deceased or the donor was a citizen and resident at the time of his death or donation allow a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in that foreign country.

FOREIGN EXCHANGE REGULATIONS AND FOREIGN OWNERSHIP RESTRICTIONS

Under current BSP regulations, an investment in listed Philippine securities (such as the Common Shares) must be registered with the BSP if the foreign exchange needed to service the repatriation of capital and the remittance of dividends, profits and earnings derived from such Shares is to be sourced from the Philippine banking system. If the foreign exchange required to service capital repatriation or dividend remittance is sourced outside the Philippine banking system, registration is not required. Current BSP Circular No. 471 (series of 2005), however, subjects foreign exchange dealers and money changers to Republic Act No. 9160 (otherwise known as the Anti-Money Laundering Act of 2001), as amended, and requires these nonbank sources of foreign exchange to require foreign exchange buyers to submit, among others, the original BSP registration document in connection with their application to purchase foreign exchange for purposes of capital repatriation and remittance of dividends.
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The application for registration may be done directly with the BSP or through a custodian bank duly designated by the foreign investor. A custodian bank may be a commercial bank or an offshore banking unit registered with the BSP to act as such and appointed by the investor to register the investment, hold shares for the investor, and represent the investor in all necessary actions in connection with his investments in the Philippines. Applications for registration must be accompanied by: (i) purchase invoice, subscription agreement and proof of listing on the PSE (either or both); (ii) credit advice or bank certificate showing the amount of foreign currency inwardly remitted and converted into Pesos; and (iii) transfer instructions from the stockbroker or dealer, as the case may be.

Upon registration of the investment, proceeds of divestments, or dividends of registered investments are repatriable or remittable immediately and in full through the Philippine banking system, net of applicable tax, without need of BSP approval. Capital repatriation of investments in listed securities is permitted upon presentation of the BSP registration document and the broker's sales invoice, at the exchange rate prevailing at the time of purchase of the foreign exchange from the banking system. Remittance of dividends is permitted upon presentation of: (i) the BSP registration document; (ii) the cash dividends notice from the PSE and the Philippine Central Depository printout of cash dividend payment or computation of interest earned; (iii) copy of the secretary's sworn statement on the board resolution covering the dividend declaration and (iv) detailed computation of the amount applied for in the format prescribed by the BSP. Pending reinvestment or repatriation, divestment proceeds, as well as dividends of registered investments, may be lodged temporarily in interest-bearing deposit accounts. Interest earned thereon, net of taxes, may also be remitted in full. Remittance of divestment proceeds or dividends of registered investments may be reinvested in the Philippines if the investments are registered with the BSP or the investor's custodian bank.

The foregoing is subject to the power of the BSP, through the Monetary Board, with the approval of the President of the Philippines, to suspend temporarily or restrict the availability of foreign exchange, require licensing of foreign exchange transactions or require delivery of foreign exchange to the BSP or its designee during an exchange crisis, when an exchange crisis is imminent, or in times of national emergency.

The registration with the BSP of all foreign investments in any Common Shares received in exchange for Offer Shares shall be the responsibility of the foreign investor.

Foreign Ownership

The Philippine Constitution and related statutes set forth restrictions on foreign ownership of companies engaged in certain activities, including, the ownership of private land.

In connection with the ownership of private land, Article XII, Section 7 of the Philippine Constitution, in relation to Article XII, Section 2 of the Philippine Constitution and Chapter 4 of Commonwealth Act No. 141, states that no private land shall be transferred or conveyed except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines at least 60% of whose capital is owned by such citizens.

Republic Act No. 7042, otherwise known as the Foreign Investments Act, as amended, and the negative list issued by the Government pursuant thereto, reserves to Philippine Nationals all areas of investment in which foreign ownership is limited by mandate of the Constitution and specific laws. Section 3(a) of the Foreign Investments Act defines a "Philippine National" as:

- a citizen of the Philippines;
- a domestic partnership or association wholly-owned by citizens of the Philippines;
- a trustee of funds for pension or other employee retirement or separation benefits where the trustee is a Philippine National and at least 60 % of the fund will accrue to the benefit of the Philippine Nationals;
- a corporation organized under the laws of the Philippines of which at least 60 % of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines; and
- a corporation organized abroad and registered as doing business in the Philippines under the Corporation Code of which 100 % of the capital stock outstanding and entitled to vote is wholly-owned by Filipinos.

However, the Foreign Investments Act states that where a corporation (and its non-Filipino shareholders) own stock in a SEC-registered enterprise, at least 60 % of the capital stock outstanding and entitled to vote of both the investing corporation and the investee corporation must be owned and held by citizens of the Philippines. Further, at least 60 % of the members of the board of directors of both the investing corporation and the investee corporation must be Philippine citizens in order for the investee corporation to be considered a Philippine National.

LEGAL MATTERS

Philippine legal matters in connection with the Offer have been passed upon for the Company by Picazo Buyco Tan Fider and Santos Law Offices, the Company's counsel for the Offer. Picazo Buyco Tan Fider and Santos does not have and will not receive any direct or indirect interest in the Company or in any of the Company's securities (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

INDEPENDENT AUDITORS

The financial statements of Golden Haven as of December 31, 2013, 2014 and 2015 and for the years then ended were audited by Punongbayan & Araullo, Certified Public Accountants, in accordance with Philippine Standards on Auditing.

Punongbayan & Araullo has acted as the Company's external auditor since June 15, 2015. Nelson J. Dinio is the current audit partner for Golden Haven and has served as such since 2015. Golden Haven has not had any material disagreement on accounting and financial disclosure with Punongbayan & Araullo for the periods stated above or during interim periods.

The external auditor has neither shareholdings in the Company nor any right to nominate persons or to subscribe to Golden Haven. In accordance with the Code of Ethics for Professional Accountants in the Philippines, Punongbayan & Araullo will not receive any direct or indirect interest in Golden Haven or its securities in connection with the Offer.

The following table sets out the aggregate fees billed for each of the last two years for professional services rendered by Punongbayan & Araullo:

In Philippine pesos	**2013**	**2014**	**2015**
Audit and Audit Related Fees	₱416,667	₱416,667	₱416,667
Tax Fees	–	–	–
All other fees	–	₱148,643.64	–

The Audit and Audited Related Fees refers to the professional services rendered by Punongbayan & Araullo for audit of the Company's annual financial statements or services that are normally provided in connection with statutory and regulatory filings for the said fiscal years.

ATTACHMENTS AND EXHIBITS

PARTIES TO THE OFFER

ISSUER

Golden Haven Memorial Park, Inc.
San Ezekiel, C5 Extension
Las Piñas City

ISSUE MANAGER AND LEAD UNDERWRITER

Asian Alliance Investment Corporation
22nd Floor, Equitable Bank Tower
8751 Paseo de Roxas
Makati City

TRANSACTION COUNSEL

Picazo Buyco Tan Fider & Santos
Liberty Center, 104 H.V. dela Costa Street
Salcedo Village, Makati City

INDEPENDENT AUDITORS

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

GOLDEN HAVEN

LAS PIÑAS · CEBU · CAGAYAN DE ORO
ZAMBOANGA · ILOILO · BULACAN

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

The management of **Golden Haven Memorial Park, Inc.** is responsible for the preparation and fair presentation of the financial statements as of and for the year ended **December 31, 2015 (including the comparative figures for the years ended December 31, 2014 and 2013)**, including the additional components attached therein, in accordance with Philippine Financial Reporting Standards. This responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Board of Directors reviews and approves the financial statements and submit the same to the stockholders.

Punongbayan & Araullo, the independent auditors, appointed by the stockholders, has examined the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the Board of Directors and stockholders has expressed its opinion on the fairness of presentation upon completion of such examination.

Signed under oath by the following

Jerry M. Navarrete
President and Chairman of the Board

Roy Joseph S. Fernandez
Chief Financial Officer

Signed this ____ day of ________

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S

SUBSCRIBED AND SWORN to before me this 28th day of March 2016 in the city named above, by the affiants exhibiting to me their identification documents as follows:

Name	Competent Evidence of Identity	Date and Place of Issue
Jerry M. Navarrete	119-618-643	Quezon City, Philippines
Michael T. Rodriguez	Passport No. EC2712507	DFA NCR East

MOISES RONETTE C. COLOBONG
Appointment No. M-236
Notary Public for Makati City
Until December 31, 2016
Penthouse, Liberty Center
104 H.V. dela Costa Street, Makati City
Roll of Attorneys No. 63038
PTR No. 5331145 / Makati City / 01-07-2016
IBP No. 1015826 / Quezon City / 01-04-2016

Doc No. 112;
Page No. 24;
Book No. VI;
Series of 2016.

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Financial Statements and Independent Auditors' Report

Golden Haven Memorial Park, Inc.

December 31, 2015, 2014 and 2013

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Report of Independent Auditors

The Board of Directors
Golden Haven Memorial Park, Inc.
(A Subsidiary of Fine Properties, Inc.)
No. 40 Real St., Zapote
Las Piñas City

Report on the Financial Statements

We have audited the accompanying financial statements of Golden Haven Memorial Park, Inc., which comprise the statements of financial position as at December 31, 2015, 2014 and 2013, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Golden Haven Memorial Park, Inc. as at December 31, 2015, 2014 and 2013, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards.

Other Matter

The Company prepared this set of financial statements in compliance with the requirements of Securities Regulation Code (SRC) Rule 68, as amended, for statutory filing and in relation to the Company's planned application for listing of its common shares on the Philippine Stock Exchange (PSE). Also, although not required by SRC Rule 68, the Company has voluntarily presented its third statement of financial position and related notes as of December 31, 2013 for additional comparative figures in relation to the Company's planned application for PSE listing.

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, 2015 required by the Bureau of Internal Revenue as disclosed in Note 25 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 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: **Nelson J. Dinio**
Partner

CPA Reg. No. 0097048
TIN 201-771-632
PTR No. 5321727, January 4, 2016, Makati City
SEC Group A Accreditation
Partner - No. 1036-AR-1 (until Aug. 21, 2016)
Firm - No. 0002-FR-4 (until Apr. 30, 2018)
BIR AN 08-002511-32-2013 (until Nov. 7, 2016)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Dec. 31, 2018)

March 18, 2016

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Subsidiary of Fine Properties, Inc.)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2015, 2014 AND 2013
(Amounts in Philippine Pesos)

	Notes	2015	2014	2013
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	4	**P 114,643,585**	P 80,658,788	P 129,097,024
Contracts receivable	5	**445,146,994**	391,262,629	346,724,709
Due from related parties	16	**70,212,101**	206,904,705	198,077,583
Other receivables	5	**29,902,601**	8,165,668	14,159,528
Memorial lot inventories – net	6	**217,770,422**	205,022,304	95,779,959
Other current assets	9	**14,351,044**	8,162,692	7,286,820
Total Current Assets		**892,026,747**	900,176,786	791,125,623
NON-CURRENT ASSETS				
Contracts receivable	5	**828,946,300**	696,589,130	595,067,433
Property and equipment – net	7	**24,790,965**	22,870,103	16,103,767
Investment properties	8	**41,334,899**	46,921,078	52,677,203
Retirement benefit assets	17	**-**	-	861,697
Total Non-current Assets		**895,072,164**	766,380,311	664,710,100
TOTAL ASSETS		**P 1,787,098,911**	P 1,666,557,097	P 1,455,835,723
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Interest-bearing loans	10	**P 5,971,611**	P -	P -
Trade and other payables	11	**264,235,574**	217,929,055	208,678,843
Customers' deposits	2	**5,929,014**	7,132,192	6,033,560
Dividends payable	18	**650,000,000**	-	-
Income tax payable		**14,954,725**	4,253,890	2,184,283
Total Current Liabilities		**941,090,924**	229,315,137	216,896,686
NON-CURRENT LIABILITIES				
Interest-bearing loans	10	**3,047,174**	-	-
Retirement benefit obligation	17	**76,299**	248,678	-
Deferred tax liabilities – net	15	**255,975,324**	219,529,278	171,738,625
Reserve for perpetual care	12	**152,252,485**	133,859,497	127,000,925
Total Non-current Liabilities		**411,351,282**	353,637,453	298,739,550
Total Liabilities		**1,352,442,206**	582,952,590	515,636,236
EQUITY	18			
Capital stock		**20,000,000**	20,000,000	20,000,000
Revaluation reserves		**(2,535,595)**	(2,472,589)	(1,249,407)
Retained earnings		**417,192,300**	1,066,077,096	921,448,894
Total Equity		**434,656,705**	1,083,604,507	940,199,487
TOTAL LIABILITIES AND EQUITY		**P 1,787,098,911**	P 1,666,557,097	P 1,455,835,723

See Notes to Financial Statements.

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Subsidiary of Fine Properties, Inc.)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015, 2014 AND 2013
(Amounts in Philippine Pesos)

	Notes	2015	2014	2013
REVENUES	2			
Real estate sales		P 650,798,166	P 555,440,507	P 478,408,039
Interment income		21,499,794	19,703,869	17,384,417
Interest income on contract receivables	5	20,499,328	19,590,271	20,145,943
		692,797,288	594,734,647	515,938,399
COSTS AND EXPENSES	13			
Costs of sales and services		293,147,058	250,517,637	229,940,967
Other operating expenses		203,971,292	150,568,375	142,802,169
		497,118,350	401,086,012	372,743,136
OPERATING PROFIT		195,678,938	193,648,635	143,195,263
OTHER INCOME – Net	14	20,654,277	12,851,424	5,732,679
PROFIT BEFORE TAX		216,333,215	206,500,059	148,927,942
TAX EXPENSE	15	(65,218,011)	(61,871,857)	(44,503,651)
NET PROFIT		151,115,204	144,628,202	104,424,291
OTHER COMPREHENSIVE LOSS				
Item that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit post-employment obligation	17	(90,008)	(1,747,403)	(672,442)
Tax income	15	27,002	524,221	201,733
		(63,006)	(1,223,182)	(470,709)
TOTAL COMPREHENSIVE INCOME		P 151,052,198	P 143,405,020	P 103,953,582
Basic and Diluted Earnings Per Share	19	P 755.58	P 723.14	P 522.12

See Notes to Financial Statements.

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(A Subsidiary of Fi

STATEMENTS OF C

FOR THE YEARS ENDED DE

(Amounts in P

	Notes		Capital Stock		Re
Balance at January 1, 2015		P	20,000,000	(P	
Reversal of appropriation of retained earnings	18		-		
Cash dividends	18		-		
Total comprehensive income for the year	15, 17		-	(	
Balance at December 31, 2015	18	**P**	**20,000,000**	**(P**	
Balance at January 1, 2014		P	20,000,000	(P	
Appropriation of retained earnings	18		-		
Total comprehensive income for the year	15, 17		-	(	
Balance at December 31, 2014	18	P	20,000,000	(P	
Balance at January 1, 2013		P	20,000,000	(P	
Appropriation of retained earnings	18				
Total comprehensive income for the year	15, 17		-	(	
Balance at December 31, 2013	18	P	20,000,000	(P	

See Notes to Fina

MORIAL PARK, INC.

e Properties, Inc.)

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EMBER 31, 2015, 2014 AND 2013

ilippine Pesos)

valuation eserves	Retained Earnings Appropriated	Retained Earnings Unappropriated	Total Equity
2,472,589)	P 1,060,000,000	P 6,077,096	P 1,083,604,507
	(660,000,000)	660,000,000	-
-	-	(800,000,000)	(800,000,000)
63,006)	-	151,115,204	151,052,198
2,535,595)	**P 400,000,000**	**P 17,192,300**	**P 434,656,705**
1,249,407)	P 120,000,000	P 801,448,894	P 940,199,487
-	940,000,000	(940,000,000)	-
1,223,182)	-	144,628,202	143,405,020
2,472,589)	P 1,060,000,000	P 6,077,096	P 1,083,604,507
778,698)	P 80,000,000	P 737,024,603	P 836,245,905
	40,000,000	(40,000,000)	-
470,709)	-	104,424,291	103,953,582
1,249,407)	P 120,000,000	P 801,448,894	P 940,199,487

ncial Statements.

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Subsidiary of Fine Properties, Inc.)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015, 2014 AND 2013
(Amounts in Philippine Pesos)

	Notes	2015	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		P 216,333,215	P 206,500,059	P 148,927,942
Adjustments for:				
Interest income	4, 5	(21,495,384)	(20,627,657)	(22,015,721)
Depreciation and amortization	7	5,700,616	6,780,469	4,910,770
Interest expense	14	1,539,022	150,139	111,752
Operating profit before working capital changes		202,077,469	192,803,010	131,934,743
Increase in contracts receivable		(186,241,535)	(146,059,617)	(109,511,748)
Decrease (increase) in other receivables		(35,044,329)	(2,833,262)	7,926,528
Increase in memorial lot inventories		(5,153,787)	(103,486,220)	(15,286,555)
Increase in other current assets		(6,188,352)	(14,175)	(1,569,874)
Increase in trade and other payables		46,306,519	9,250,212	2,420,380
Increase (decrease) in customers' deposits		(1,203,178)	1,098,632	1,373,964
Increase (decrease) in retirement benefit obligation		(251,073)	(1,053,983)	178,201
Increase in other liabilities		18,392,988	8,928,179	6,387,350
Cash generated from (used in) operations		32,694,722	(41,367,224)	23,852,989
Interest received		21,495,384	20,707,136	22,228,508
Interest paid		(1,550,336)	(150,139)	(111,752)
Cash paid for income taxes		(18,044,128)	(14,081,204)	(9,070,409)
Net Cash From (Used in) Operating Activities		34,595,642	(34,891,431)	36,899,336
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property and equipment	7	(8,039,574)	(13,667,076)	(13,374,482)
Additions to investment properties	8	(2,008,152)	-	(5,556,125)
Proceeds from disposals of property and equipment	7	418,096	120,271	977
Net Cash Used in Investing Activities		(9,629,630)	(13,546,805)	(18,929,630)
CASH FLOWS FROM FINANCING ACTIVITY				
Net availment of interest-bearing loans		9,018,785	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		33,984,797	(48,438,236)	17,969,706
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		80,658,788	129,097,024	111,127,318
CASH AND CASH EQUIVALENTS AT END OF YEAR		P 114,643,585	P 80,658,788	P 129,097,024

Supplemental Information on Non-cash Investing and Financing Activities:

1) The Company transferred certain parcels of land previously classified as Investment Properties to Memorial Lot Inventories with carrying amounts of P7.6 million, P5.8 million and P21.4 million in 2015, 2014 and 2013, respectively (see Note 8).

2) Due from related parties amounting to P150.0 million was offset against dividends payable in 2015. There was no similar transaction in 2014 (see Notes 16 and 18).

See Notes to Financial Statements.

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Subsidiary of Fine Properties, Inc.)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015, 2014 AND 2013
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

Golden Haven Memorial Park, Inc. (the Company) was incorporated in the Philippines on November 16, 1982. The Company is presently engaged in the development and sale of memorial lots. The Company is a 98% owned subsidiary of Fine Properties, Inc. (FPI), which is a holding company.

Presently, the Company has only one dominant segment. Accordingly, no segment information or disclosure is presented in the financial statements.

The registered office of the Company, which is also its principal place of business, is located at No. 40 Real St., Zapote, Las Piñas City. The registered office of FPI is located at 3rd Level, Starmall Las Piñas, CV. Starr Avenue, Pamplona, Las Piñas City. On March 8, 2016, the Company's Board of Directors (BOD) and stockholders approved the change of the Company's registered office from No. 40 Real St. Zapote, Las Pinas City to San Ezekiel, C5 Extension, Las Piñas City, and was approved by the Securities and Exchange Commission (SEC) on March 17, 2016.

The financial statements of the Company as of and for the year ended December 31, 2015 (including the comparative financial statements as of and for the years ended December 31, 2014 and 2013) were authorized for issue by the Company's BOD on March 18, 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below and in the succeeding pages. These policies have been consistently applied to all the 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 in the succeeding pages.

(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 and expenses and other comprehensive income or loss in a single statement of comprehensive income.

These financial statements were prepared in compliance of the requirements of Securities Regulation Code (SRC) Rule 68, as amended, for statutory filing and in relation to the Company's planned application for listing of its common shares on the Philippine Stock Exchange (PSE).

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. However, the Company has opted to present its third statement of financial position and related notes as of December 31, 2013 as additional comparative figures in relation to the Company's planned application for PSE listing as mentioned on the above paragraph.

Certain accounts for the year ended December 31, 2014 and 2013 were reclassified to conform with the current year presentation. These reclassifications only affected presentation aspects and did not have a material impact on the Company's 2014 and 2013 financial statements.

(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 2015 that are Relevant to the Company

The Company adopted for the first time the following amendment and annual improvements to PFRS, which are mandatorily effective for annual periods beginning on or after July 1, 2014, for its annual reporting period beginning January 1, 2015:

PAS 19 (Amendment)	:	Employee Benefits – Defined Benefit Plans – Employee Contributions
Annual Improvements	:	Annual Improvements to PFRS (2010-2012 Cycle) and PFRS (2011-2013 Cycle)

Discussed below and in the succeeding pages are the relevant information about these amendment and improvements.

(i) PAS 19 (Amendment), *Employee Benefits – Defined Benefit Plans – Employee Contributions*. The amendment clarifies that if the amount of the contributions to defined benefit plans from employees or third parties is dependent on the number of years of service, an entity shall attribute the contributions to periods of service using the same attribution method (i.e., either using the plan's contribution formula or on a straight-line basis) for the gross benefit. The amendment did not have a significant impact on the Company's financial statements since the Company's defined benefit plan does not require employees or third parties to contribute to the benefit plan.

(ii) Annual Improvements to PFRS. Annual improvements to PFRS (2010-2012 Cycle) and PFRS (2011-2013 Cycle) made minor amendments to a number of PFRS. Among those improvements, the following amendments are relevant to the Company but had no material impact on the Company's financial statements as these amendments merely clarify the existing requirements:

Annual Improvements to PFRS (2010-2012 Cycle)

- PAS 16 (Amendment), *Property, Plant and Equipment* and PAS 38 (Amendment), *Intangible Assets*. The amendments clarify that when an item of property, plant and equipment and intangible assets is revalued, the gross carrying amount is adjusted in a manner that is consistent with a revaluation of the carrying amount of the asset.

- PAS 24 (Amendment), *Related Party Disclosures*. The amendment clarifies that an entity providing key management services to a reporting entity is deemed to be a related party of the latter. It also clarifies that the information required to be disclosed in the financial statements are the amounts incurred by the reporting entity for key management personnel services that are provided by a separate management entity and not the amounts of compensation paid or payable by the management entity to its employees or directors.

Annual Improvements to PFRS (2011-2013 Cycle)

- PFRS 13 (Amendment), *Fair Value Measurement*. The amendment clarifies that the scope of the exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis (the portfolio exception) applies to all contracts within the scope of and accounted for in accordance with PAS 39, *Financial Instruments: Recognition and Measurement*, or PFRS 9, *Financial Instruments*, regardless of whether they meet the definition of financial assets or financial liabilities as defined in PAS 32, *Financial Instruments: Presentation*.

- PAS 40 (Amendment), *Investment Property*. The amendment clarifies the interrelationship of PFRS 3, *Business Combinations*, and PAS 40 in determining the classification of property as an investment property or owner-occupied property, and explicitly requires an entity to use judgment in determining whether the acquisition of an investment property is an acquisition of an asset or a group of asset in accordance with PAS 40 or a business combination in accordance with PFRS 3.

(b) Effective in 2015 that are not Relevant to the Company

The following annual improvements to PFRS are mandatory for accounting periods beginning on or after July 1, 2014 but are not relevant to the Company's financial statements:

PFRS (2010-2012 Cycle)		
PFRS 2 (Amendment)	:	Share-based Payment – Definition of Vesting Condition
PFRS 3 (Amendment)	:	Business Combinations – Accounting for Contingent Consideration in a Business Combination
PFRS 8 (Amendments)	:	Operating Segments – Aggregation of Operating Segments, and Reconciliation of the Total of the Reportable Segments' Assets to the Entity's Assets
PFRS (2011-2013 Cycle)		
PFRS 3 (Amendment)	:	Business Combinations – Scope Exceptions for Joint Ventures

(c) Effective Subsequent to 2015 but not Adopted Early

There are new PFRS, amendments and annual improvements to existing standards effective for annual periods subsequent to 2015 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 (Amendment), *Presentation of Financial Statements – Disclosure Initiative* (effective from January 1, 2016). The amendment encourages entities to apply professional judgment in presenting and disclosing information in the financial statements. Accordingly, it clarifies that materiality applies to the whole financial statements and an entity shall not reduce the understandability of the financial statements by obscuring material information with immaterial information or by aggregating material items that have different natures or functions. It further clarifies that in determining the order of presenting the notes and disclosures, an entity shall consider the understandability and comparability of the financial statements.

(ii) PAS 16 (Amendment), *Property, Plant and Equipment*, and PAS 38 (Amendment), *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortization* (effective from January 1, 2016). The amendment in PAS 16 clarifies that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment. In addition, amendment to PAS 38 introduces a rebuttable presumption that an amortization method that is based on the revenue generated by an activity that includes the use of an intangible asset is not appropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of an intangible asset are highly correlated. The amendment also provides guidance that the expected future reductions in the selling price of an item that was produced using the asset could indicate an expectation of technological or commercial obsolescence of an asset, which may reflect a reduction of the future economic benefits embodied in the asset.

(iii) PAS 16 (Amendment), *Property, Plant and Equipment*, and PAS 41 (Amendment), *Agriculture – Bearer Plants* (effective from January 1, 2016). The amendment defines a bearer plant as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales. On this basis, bearer plant is now included within the scope of PAS 16 rather than PAS 41, allowing such assets to be accounted for as property, plant and equipment and to be measured after initial recognition at cost or revaluation basis in accordance with PAS 16. The amendment further clarifies that produce growing on bearer plants remains within the scope of PAS 41.

(iv) PFRS 9 (2014), *Financial Instruments* (effective from January 1, 2018). This new standard on financial instruments will eventually replace PAS 39 and PFRS 9 (2009, 2010 and 2013 versions). This standard contains, among others, the following:

- three principal classification categories for financial assets based on the business model on how an entity is managing its financial instruments;

- an expected loss model in determining impairment of all financial assets that are not measured at fair value through profit or loss (FVTPL), which generally depends on whether there has been a significant increase in credit risk since initial recognition of a financial asset; and,

- a new model on hedge accounting that provides significant improvements principally by aligning hedge accounting more closely with the risk management activities undertaken by entities when hedging their financial and non-financial risk exposures.

In accordance with the financial asset classification principle of PFRS 9 (2014), a financial asset is classified and measured at amortized cost if the asset is held within a business model whose objective is to hold financial assets in order to collect the contractual cash flows that represent solely payments of principal and interest (SPPI) on the principal outstanding. Moreover, a financial asset is classified and subsequently measured at fair value through other comprehensive income if it meets the SPPI criterion and is held in a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets. All other financial assets are measured at FVTPL.

In addition, PFRS 9 (2014) allows entities to make an irrevocable election to present subsequent changes in the fair value of an equity instrument that is not held for trading in other comprehensive income.

The accounting for embedded derivatives in host contracts that are financial assets is simplified by removing the requirement to consider whether or not they are closely related, and, in most arrangements, does not require separation from the host contract.

For liabilities, the standard retains most of the PAS 39 requirements which include amortized cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The amendment also requires changes in the fair value of an entity's own debt instruments caused by changes in its own credit quality to be recognized in other comprehensive income rather than in profit or loss.

Management is currently assessing the impact of PFRS 9 on the financial statements of the Company and it will conduct a comprehensive study of the potential impact of this standard prior to its mandatory adoption date to assess the impact of all changes.

(v) Annual Improvements to PFRS (2012-2014 Cycle) (effective from January 1, 2016). Among the improvements, the following amendments are relevant to the Company but management does not expect these to have material impact on the Company's financial statements:

- PFRS 7 (Amendment), *Financial Instruments – Disclosures*. The amendment provides additional guidance to help entities identify the circumstances under which a contract to "service" financial assets is considered to be a continuing involvement in those assets for the purposes of applying the disclosure requirements of PFRS 7. Such circumstances commonly arise when, for example, the servicing is dependent on the amount or timing of cash flows collected from the transferred asset or when a fixed fee is not paid in full due to non-performance of that asset.

- PAS 19 (Amendment), *Employee Benefits*. The amendment clarifies that the currency and term of the high quality corporate bonds which were used to determine the discount rate for post-employment benefit obligations shall be made consistent with the currency and estimated term of the post-employment benefit obligations.

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 assets, other than those designated and effective as hedging instruments, are classified into the following categories: financial assets at FVTPL, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the investments were acquired.

Regular purchases and sales of financial assets are recognized on their trade date. All financial assets that are not classified as at FVTPL are initially recognized at fair value plus any directly attributable transaction costs. Financial assets carried at FVTPL are initially recorded at fair value and transaction costs related to it are recognized in profit or loss.

The Company's financial assets categorized as loans and receivables are presented as Cash and Cash Equivalents, Contracts Receivable, Due from Related Parties, Other Receivables and Security deposits (under Other Current Assets) in the statement of financial position. Cash and cash equivalents include cash on hand, demand deposits and short-term, highly liquid investments with original maturities of three months or less, readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for those with maturities greater than 12 months after the end of each reporting period which are classified as non-current assets.

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less impairment losses, if any. Impairment loss is provided when there is objective evidence that the Company will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate or current effective interest rate determined under the contract if the loan has a variable interest rate.

The carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognized in profit or loss.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized in profit or loss.

All income and expenses, including impairment losses, relating to financial assets that are recognized in profit or loss are presented as part of Finance Costs or Finance Income under Other Income – Net in the statement of comprehensive income.

Non-compounding interest and other cash flows resulting from holding financial assets are recognized in profit or loss when earned, regardless of how the related carrying amount of financial assets is measured.

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 Memorial Lot Inventories

Memorial lot inventories are valued at the lower of cost and net realizable value. The cost of memorial lot inventories includes the acquisition cost of the land (including incidental acquisition costs), construction and development costs and other necessary expenses incurred in bringing the memorial lots ready for sale. The construction and development costs were mainly contracted by the Company from various contractors.

Reacquired memorial lots arising from forfeited or back-out sales are recorded at cost.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.5 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 non-current assets.

2.6 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, amortization and any impairment in value.

The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred.

Depreciation and amortization is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Service vehicle	5 years
Service equipment	5 years
Park maintenance tools and equipment	5 years
Office furniture, fixtures and equipment	3-5 years
System development cost	3-5 years

Leasehold improvements are amortized over their expected useful lives of five years (determined by reference to comparable assets owned) or the term of lease, whichever is shorter.

Fully depreciated and fully amortized assets are retained in the accounts until these are no longer in use and no further charge for depreciation and amortization is made in respect of those assets.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Note 2.13).

The residual values, estimated useful lives and method of depreciation of property and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

An item of property and equipment, including the related accumulated depreciation, amortization and impairment losses, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year the item is derecognized.

2.7 Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost less any impairment in value (see Note 2.13).

Investment property is derecognized upon disposal or when permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the disposal of investment property is recognized in profit or loss in the period of disposal.

2.8 Financial Liabilities

Financial liabilities, which include trade and other payables [except output value-added tax (VAT) and other tax-related payables], and reserve for perpetual care, are recognized when the Company becomes a party to the contractual terms of the instrument.

All interest-related charges incurred on a financial liability are recognized as an expense in profit or loss under the Other Income – Net in the statement of comprehensive income.

Reserve for perpetual care is recognized upon sale of memorial lots to customers. It represents a portion of the contract price, as indicated in the price list, which depends upon the type of lot and location.

Trade and other payables, and reserve for perpetual care are recognized initially at their fair values 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.

2.9 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.

2.10 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 provision due to 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.

2.11 Revenue and Expense Recognition

Revenue comprises revenue from the real estate sales and the rendering of services measured by reference to the fair value of consideration received or receivable by the Company for real estate sold and services rendered, excluding VAT and discounts.

Revenue is recognized to the extent that the revenue can be reliably measured; it is probable that future economic benefits will flow to the Company; and, the costs incurred or to be incurred can be measured reliably. In addition, the following specific recognition criteria must also be met before revenue is recognized:

(a) *Sale of memorial lots* – For financial reporting purposes, the Company recognizes income from sales of memorial lots, which are generally completed and ready for use, using the full accrual method. If the criteria under the full accrual method are not met, the deposit method is applied. Under this method, the cash received from the buyers are shown as Customers' Deposits in the statement of financial position. Revenue and cost related to forfeited or cancelled sales are reversed in the current year as they occur.

For tax reporting purposes, revenue on sale of memorial lots is recognized in full when 25% or more of the contract price is collected within the initial year of sale. Otherwise, revenue is recognized based on the percentage of collection or installment method.

(b) *Rendering of services (presented as Interment Income)* – Revenue is recognized when the performance of contractually-agreed tasks have been substantially rendered.

(c) *Interest income* – This is recognized as the interest accrues taking into account the effective yield on the asset.

Cost and expenses are recognized in profit or loss upon receipt of goods or utilization of services or at the date they are incurred. All finance costs are reported in profit or loss on an accrual basis, except capitalized borrowing costs which is included as part of the cost of the related qualifying assets (see Note 2.15)

2.12 Leases – Company as Lessee

Leases which do not transfer to the Company substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments (net of any incentive received from the lessor) are recognized as expense in profit or loss on a straight-line basis over the lease term. Associated costs, such as repairs and maintenance and insurance, are expensed as incurred.

The Company determines whether an arrangement is, or contains, a lease based on the substance of the arrangement. It makes an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

2.13 Impairment of Non-financial Assets

The Company's property and equipment, investment properties and other non-financial assets are subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, assets are tested for impairment either individually or at the cash-generating unit level.

Impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amounts which is the higher of its fair value less costs to sell and its value in use. In determining value in use, management estimates the expected future cash flows from each cash-generating unit and determines the suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

2.14 Employee Benefits

The Company provides post-employment benefits to employees through a defined benefit plan, defined contribution plan and other employee benefits which are recognized as follows:

(a) Post-employment Defined Benefit Plan

A defined benefit plan is a post-employment plan that defines an amount of post-employment benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation for any benefits from this kind of post-employment plan remains with the Company, even if plan assets for funding the defined benefit plan have been acquired. The Company's defined benefit post-employment plan covers all regular full-time employees.

The liability (asset) recognized in the statement of financial position for a defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows for expected benefit payments using a discount rate derived from the interest rates of zero-coupon government bonds as published by Philippine Dealing & Exchange Corp., that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related post-employment liability.

Remeasurements, comprising of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and the losses on the return on plan assets are reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they arise. Net interest is calculated by applying the discount rate at the beginning of the period, taking account of any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest is reported as part of Finance income or Finance costs under Other Income – Net in the statement of comprehensive income.

Past-service costs are recognized immediately in profit or loss in the period of a plan amendment or curtailment.

(b) Post-employment Defined Contribution Plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions into an independent entity (e.g. Social Security System). The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognized in respect of defined contribution plans are expensed as they fall due. Liabilities or assets may be recognized if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

(c) Compensated Absences

Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the end of each reporting period. They are included in Trade and Other Payables account in the statement of financial position at the undiscounted amount that the Company expects to pay as a result of the unused entitlement.

2.15 Borrowing Costs

Borrowing costs are recognized as expenses in the period in which they are incurred, except to the extent that they are capitalized. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (i.e., an asset that takes a substantial period of time to get ready for its intended use or sale) are capitalized as part of cost of such asset. The capitalization of borrowing costs commences when expenditures for the asset and borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalization ceases when substantially all such activities are complete.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

2.16 Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current 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 carryforward 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 in 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 liabilities and assets 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 deferred tax 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 relate to the same taxation authority.

2.17 Equity

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

Revaluation reserves comprise gains and losses arising from remeasurements of post-employment defined benefit plan.

Retained earnings represent all current and prior period results of operations as reported in the profit or loss section of the statement of comprehensive income, reduced by the amount of dividends declared.

2.18 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; (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; and, (d) the Company's funded retirement plan.

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

2.19 Earnings Per Share

Basic earnings per share (EPS) is determined by dividing the net profit for the period attributable to common shareholders by the weighted average number of common shares issued and outstanding during the period (see Note 19).

Diluted EPS is computed by adjusting the weighted average number of ordinary shares outstanding to assume conversion of potential dilutive shares

2.20 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 to the 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 Judgments in Applying Accounting Policies

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements:

(a) Distinction Between Investment Properties and Owner-managed Properties

The Company classifies its acquired properties as Property and Equipment if used in operations, and as Investment Property if the Company intends to hold the properties for capital appreciation.

(b) Distinction Between Operating and Finance Leases

The Company has entered into various lease agreements. Critical judgment was exercised by management to distinguish the lease agreement as either an operating or a finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreement. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities.

Management has assessed that its existing lease agreements at the end of each reporting period qualifies under operating lease.

(c) 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 2.10 and relevant disclosures are presented in Note 20.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Recognition of Revenue from Sale of Memorial Lots

The Company uses certain percentage benchmark based on collection in determining whether to recognize any revenue from the sale of memorial lots under full accrual method. Management believes that the revenue recognition criteria is appropriate based on the Company's collection history from its customers. Buyer's interest in the property is considered to have been vested when the payment threshold for each type of inventory lot has been received from the buyer and the Company has ascertained the buyer's commitment to complete the payment of the total contract price over the remaining collection period.

(b) Impairment of Contracts and Other Receivables

Adequate amount of allowance for impairment is provided for specific and groups of accounts, where objective evidence of impairment exists. The Company evaluates the amount of allowance for impairment based on available facts and circumstances affecting the collectibility of the accounts, including, but not limited to, the length of the Company's relationship with the counterparties (including related party), the counterparties current credit status, average age of accounts, collection experience and historical loss experience. The methodology and assumptions used in estimating future cash flows are reviewed regularly by the Company to reduce any difference between loss estimate and actual loss experience.

The carrying values of contracts receivable and other receivables are shown in Note 5. Based on management's assessment, there were no impairment losses required to be recognized on contracts receivable and other receivables in 2015, 2014 and 2013.

(c) Determination of Net Realizable Value of Memorial Lot Inventories

In determining the net realizable value of memorial lot inventories, management takes into account the most reliable evidence available at the time the estimates are made. Future realization of the carrying amounts of memorial lots, which is affected by future price changes, is considered a source of estimation uncertainty and may cause significant adjustments to the carrying amounts of the Company's memorial lots within the next reporting period. The carrying amounts of the existing memorial lot inventories classified per park creation are disclosed in Note 6.

(d) Estimation of Useful Lives of Property and Equipment

The Company estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

The carrying amounts of property and equipment are analyzed in Note 7. Based on management's assessment as at December 31, 2015, 2014 and 2013, there is no change in the estimated useful lives of those assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(e) *Fair Value Measurement of Investment Properties*

The Company's investment properties composed of land are carried at cost at the end of the reporting period. In addition, the accounting standards require the disclosure of the fair value of the investment properties. In determining the fair value of these assets, the Company engages the services of professional and independent appraiser applying the relevant valuation methodologies as discussed in Note 23.2.

For investment properties with appraisal conducted prior to the end of the current reporting period, management determines whether there are significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

A significant change in the beginning inputs and sources of information of the fair value disclosed for those assets may result in adjustment in the carrying amount of the assets reported in the financial statements if the fair value will indicate improvement.

(f) *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. Management assessed that the deferred tax assets (offset against deferred tax liabilities) recognized as at December 31, 2015, 2014 and 2013 will be fully utilized in the coming years (see Note 15).

(g) *Impairment of Non-financial Assets*

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see Note 2.13). Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

In 2015, 2014 and 2013, no impairment losses were recognized on property and equipment, investment properties and other non-financial assets (see Notes 7, 8 and 9, respectively).

(b) Valuation of Post-employment Defined Benefit Obligation

The determination of the Company's obligation and cost of post-employment defined benefit plan is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates and salary increase rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment benefit obligation in the next reporting period.

The amounts of post-employment benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment benefit, as well as the significant assumptions used in estimating such obligation are presented in Note 17.2.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31 follows:

	2015	2014	2013
Cash on hand and in banks	**P 84,703,998**	P 54,500,186	P 41,244,225
Short-term placements	**29,939,587**	26,158,602	87,852,799
	P 114,643,585	P 80,658,788	P 129,097,024

Cash in banks generally earn interest based on daily bank deposit rates. Short-term placements are made for varying periods between 30 to 60 days and earn annual effective interest rates of 1.13%, 1.69%, and 2.59% in 2015, 2014 and 2013, respectively. The total interest income earned amounted to P1.0 million, P1.1 million and P2.1 million in 2015, 2014 and 2013, respectively, and is presented as part of Finance income under Other Income – Net in the statements of comprehensive income (see Note 14.1).

5. CONTRACTS AND OTHER RECEIVABLES

5.1 Contracts Receivable

This account is composed of the following:

	2015	2014	2013
Current	**P 445,146,994**	P 391,262,629	P 346,724,709
Non-current	**828,946,300**	696,589,130	595,067,433
	P1,274,093,294	P1,087,851,759	P 941,792,142

On the other hand, contract receivable with maximum term of five years have an annual effective interest rate of 15.00% in 2015, 2014 and 2013. Interest income related to this account of P20.5 million in 2015, P19.6 million in 2014 and P20.1 million in 2013 are reported under Revenues in the statements of comprehensive income.

All of the Company's contracts receivable have been reviewed for indicators of impairment. However, no receivables were found to be impaired.

The Company's contracts receivable are effectively collateralized by the memorial lots sold to the buyers considering that the title over the right in the memorial lots will only be transferred upon full payment.

5.2 Other Receivables

Other receivable amounted to P29.9 million, P8.2 million, and P14.2 million as of December 31, 2015, 2014 and 2013, respectively. These comprise mostly advances to suppliers for construction and development projects and short-term non-interest bearing advances to employees which are collected either through salary deduction or cash. All of the Company's other receivables have been reviewed for indicators of impairment. However, no receivables were found to be impaired as of December 31, 2015, 2014 and 2013.

6. MEMORIAL LOT INVENTORIES

Memorial lots inventories consist of acquisition costs of the land, construction and development costs other necessary costs incurred in bringing the memorial lots ready for sale.

6.1 Memorial Lots

The breakdown of the Company's memorial lot inventories per branch are shown below.

	Note	**2015**	2014	2013
San Ezekiel		**P 246,263,563**	P 276,295,208	P 308,190,727
Cebu		**140,920,894**	155,222,791	168,470,512
Bulacan		**79,198,763**	97,112,859	-
Iloilo		**49,437,549**	62,622,409	82,050,760
Cagayan de Oro		**34,478,220**	42,647,349	47,854,768
Las Piñas		**38,470,775**	38,478,481	38,908,650
Zamboanga		**71,352,812**	25,085,895	40,097,055
Lots for sale and development		**660,122,576**	697,464,992	685,572,472
Reserve for land development cost		**(442,352,154)**	(492,442,688)	(589,792,513)
	6.2	**P 217,770,422**	P 205,022,304	P 95,779,959

Which are composed of:

	2015	2014	2013
Cost of land	**P 42,623,010**	P 37,744,196	P 22,623,226
Construction and development cost	**175,147,412**	167,278,108	73,156,733
	P 217,770,422	P 205,022,304	P 95,779,959

In 2015, the Company opened additional lots inventory amounting to P59.9 million in Zamboanga, while in 2014, additional lots inventory amounting to P100.7 million was opened in Bulacan. In 2013, the Company opened additional lots inventory amounting to P103.6 million for the new Iloilo branch and P35.2 million for Las Piñas branch expansion.

In 2015, 2014, and 2013, certain parcels of land previously classified as investment properties which amounted to P7.6 million, P5.8 million and P21.4 million, respectively, were reclassified to Memorial Lot Inventories due to change in use and intention for the asset (see Note 8).

Reserve for land development cost pertains to estimated costs of developing the memorial lots.

6.2 Cost of Memorial Lots Sold

The details of cost of memorial lots sold are shown below.

	Notes	2015	2014	2013
Memorial lot inventories at beginning of year - net		**P 205,022,304**	P 95,779,959	P 59,092,287
Additions and lot improvements		**294,889,844**	351,318,770	258,987,145
Memorial lots inventories at end of year - net	6.1	**(217,770,422)**	(205,022,304)	(95,779,959)
	13.1	**P 282,141,726**	P 242,076,425	P 222,299,473

7. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of 2015, 2014 and 2013 are shown below and in the succeeding page.

	Leasehold Improvements	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Office Furniture, Fixtures and Equipment	System Development Cost	Total
December 31, 2015							
Cost	P 6,446,250	P 28,415,661	P 6,547,690	P 15,989,118	P 21,373,667	P 4,043,111	P 82,815,497
Accumulated depreciation and amortization	(4,036,596)	(20,336,205)	(3,843,010)	(12,177,601)	(14,164,939)	(3,466,181)	(58,024,532)
Net carrying amount	P 2,409,654	P 8,079,456	P 2,704,680	P 3,811,517	P 7,208,728	P 576,930	P 24,790,965

	Leasehold Improvements	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Office Furniture, Fixtures and Equipment	System Development Cost	Total
December 31, 2014							
Cost	P 5,887,228	P 26,142,071	P 4,519,315	P 16,407,214	P 18,673,272	P 3,564,919	P 75,194,019
Accumulated depreciation and amortization	(3,153,536)	(18,386,667)	(3,338,375)	(11,664,250)	(12,889,957)	(2,891,131)	(52,323,916)
Net carrying amount	P 2,733,692	P 7,755,404	P 1,180,940	P 4,742,964	P 5,783,315	P 673,788	P 22,870,103
December 31, 2013							
Cost	P 3,977,956	P 22,646,491	P 3,294,109	P 14,354,426	P 14,344,499	P 3,029,733	P 61,647,214
Accumulated depreciation and amortization	(2,531,562)	(16,472,741)	(3,127,674)	(9,860,471)	(11,077,211)	(2,473,788)	(45,543,447)
Net carrying amount	P 1,446,394	P 6,173,750	P 166,435	P 4,493,955	P 3,267,288	P 555,945	P 16,103,767
January 1, 2013							
Cost	P 2,641,653	P 17,776,834	P 3,172,549	P 11,084,839	P 10,954,733	P 2,643,101	P 48,273,709
Accumulated depreciation and amortization	(1,800,925)	(15,290,528)	(2,958,895)	(8,454,884)	(9,923,515)	(2,203,931)	(40,632,677)
Net carrying amount	P 840,728	P 2,486,306	P 213,654	P 2,629,955	P 1,031,218	P 439,170	P 7,641,031

A reconciliation of the carrying amounts of property and equipment at the beginning and end of 2015, 2014 and 2013 are as follows:

	Leasehold Improvements	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Office Furniture, Fixtures and Equipment	System Development Cost	Total
Balance at January 1, 2015, net of accumulated depreciation and amortization	P 2,733,692	P 7,755,404	P 1,180,940	P 4,742,964	P 5,783,315	P 673,788	P 22,870,103
Additions	559,022	2,273,590	2,028,375	-	2,700,395	478,192	8,039,574
Disposals	-	-	-	(418,096)	-	-	(418,096)
Depreciation and amortization charges for the year	(883,060)	(1,949,538)	(504,635)	(513,351)	(1,274,982)	(575,050)	(5,700,616)
Balance at December 31, 2015, net of accumulated depreciation and amortization	**P 2,409,654**	**P 8,079,456**	**P 2,704,680**	**P 3,811,517**	**P 7,208,728**	**P 576,930**	**P 24,790,965**
Balance at January 1, 2014, net of accumulated depreciation and amortization	P 1,446,394	P 6,173,750	P 166,435	P 4,493,955	P 3,267,288	P 555,945	P 16,103,767
Additions	1,967,624	3,537,991	1,225,206	2,052,788	4,328,825	554,642	13,667,076
Disposals	(58,352)	(42,411)	-	-	(52)	(19,456)	(120,271)
Depreciation and amortization charges for the year	(621,974)	(1,913,926)	(210,701)	(1,803,779)	(1,812,746)	(417,343)	(6,780,469)
Balance at December 31, 2014, net of accumulated depreciation and amortization	P 2,733,692	P 7,755,404	P 1,180,940	P 4,742,964	P 5,783,315	P 673,788	P 22,870,103
Balance at January 1, 2013, net of accumulated depreciation and amortization	P 840,728	P 2,486,306	P 213,654	P 2,629,955	P 1,031,218	P 439,170	P 7,641,031
Additions	1,336,303	4,869,657	121,560	3,269,587	3,390,743	386,632	13,374,482
Disposals	-		-	-	(977)	-	(977)
Depreciation and amortization charges for the year	(730,637)	(1,182,213)	(168,779)	(1,405,587)	(1,153,696)	(269,857)	(4,910,769)
Balance at December 31, 2013, net of accumulated depreciation and amortization	P 1,446,394	P 6,173,750	P 166,435	P 4,493,955	P 3,267,288	P 555,945	P 16,103,767

Depreciation and amortization expense is included as part of Other Operating Expenses account in the statements of comprehensive income (see Note 13.2).

Certain fully depreciated assets with acquisition costs of P13.3 million, P11.4 million and P9.8 million as of December 31, 2015, 2014 and 2013, respectively, are still being used in operations.

8. INVESTMENT PROPERTIES

The changes to the carrying amounts of investment properties as presented in the statements of financial position are as follows:

	2015	2014	2013
Balance at beginning of year	**P 46,921,078**	P 52,677,203	P 68,522,195
Additions	**2,008,152**	-	5,556,125
Reclassification to memorial lot inventories	**(7,594,331)**	(5,756,125)	(21,401,117)
Balance at end of year	**P 41,334,899**	P 46,921,078	P 52,677,203

The Company's investment properties consist mainly of land. Certain investment properties totaling P7.6 million, P5.8 million and P21.4 million in 2015, 2014 and 2013, respectively, were reclassified to Memorial Lot Inventories due to change in management intention for the said properties (see Note 6.1). Management no longer intends to hold the properties for capital appreciation but rather as memorial lots for development and for sale. No gain or losses were recognized during the transfer since the investment properties are measured at cost.

Management has assessed that there were no significant circumstances during the reporting periods that may indicate impairment loss on the Company's investment properties.

The fair value and other information about the measurement and disclosures related to the investment property are presented in Note 23.2.

9. OTHER CURRENT ASSETS

This account consists of the following as of December 31:

	2015	2014	2013
Prepaid expenses	**P 7,592,855**	P 6,516,576	P 5,592,379
Deferred input VAT	**4,923,818**	508,857	533,059
Security deposits	**1,509,271**	789,155	766,655
Other assets	**325,100**	348,104	394,727
	P 14,351,044	P 8,162,692	P 7,286,820

Deferred input VAT pertains to the unamortized portion of input VAT from purchase of capital goods which are subject to amortization.

10. INTEREST-BEARING LOANS

In 2015, the Company obtained interest-bearing bank loans amounting to P14.9 million from a local commercial bank for working capital requirements. The loans are payable within one to three years and are subject to average annual effective interest rates of 8.00%. The outstanding balance of these loans as of December 31, 2015 amounted to P9.0 million, and are presented as current and non-current Interest-bearing Loans account in the 2015 statement of financial position. Interest expense pertaining to these loans amounted to P1.0 million, and are shown as part of Finance costs under Other Income – Net account in the 2015 statement of comprehensive income (see Note 14.1). There are no outstanding interest payable as of December 31, 2015 related to these loans. The Company did not obtain similar loan in 2014 and 2013.

11. TRADE AND OTHER PAYABLES

This account consists of:

	Notes	2015	2014	2013
Accounts payable	16.1	**P 65,716,512**	P 61,471,186	P 68,699,133
Deferred output tax		**137,454,005**	118,369,933	102,403,080
Raw lands payable		**30,020,051**	9,251,630	10,559,753
Due to affiliates	16.3	**18,377,019**	18,377,019	15,568,119
Retention payable		**8,292,126**	5,273,628	8,176,438
VAT payable	25.1(a)	**3,294,656**	1,700,288	581,814
Withholding taxes payable		**899,265**	739,247	1,160,284
Other payables		**181,940**	2,746,124	1,530,222
		P 264,235,574	P 217,929,055	P 208,678,843

Deferred output tax is the portion of VAT attributable to outstanding contract receivables. This is reversed upon payment of monthly amortization from customers.

12. RESERVE FOR PERPETUAL CARE

Under the terms of the contract between the Company and the purchasers of memorial lots, a portion of the amount paid by the purchasers is set aside as Perpetual Care Fund (Trust Fund). The balance of the reserve for perpetual care for memorial lots as of December 31, 2015, 2014 and 2013 amounting to P152.3 million, P133.9 million and P127.0 million, respectively, represents the total amount of perpetual care from all outstanding sales contracts, net of amount already remitted for fully collected memorial lots into the Trust Fund amounting to P128.8 million, P127.3 million and P118.2 million as of December 31, 2015, 2014 and 2013, respectively.

As an industry practice, the amount turned over to the Trust Fund is only for fully collected contracts in as much as the outstanding contracts may still be forfeited and/or rescinded. The income earned from the Trust Fund will be used in the perpetual care and maintenance of the memorial lots. Once placed in the Trust Fund, the assets, liabilities, income and expense of the Trust Fund are considered distinct and separate from the assets and liabilities of the Company, and thus, do not form part of the accounts of the Company.

The details of the Trust Fund as of December 31, 2015, 2014 and 2013 are shown below.

	2015	2014	2013
Assets:			
Cash	**P 18,964,235**	P 3,439,260	P 10,766,327
Investment in unit investment trust funds	**38,734,000**	40,953,000	43,488,000
Investment in government securities	**10,798,736**	17,486,285	22,453,728
Investment in other securities and debt instruments	**42,470,197**	42,466,768	30,328,446
Loans and receivables	**14,538,577**	14,795,304	8,210,091
Accumulated income and and market gains	**3,393,683**	8,244,176	3,041,301
Liability – Accrued trust fees and other expenses	**(114,315)**	(102,810)	(96,193)
	P 128,785,113	P 127,281,983	P 118,191,700

13. COSTS AND EXPENSES

13.1 Costs of Sale and Services

Presented below are the details of costs of sale and services.

	Note	**2015**	2014	2013
Cost of memorial lot sold	6.2	**P 282,141,726**	P 242,076,425	P 222,299,473
Cost of interment		**11,005,332**	8,441,212	7,641,494
		P 293,147,058	P 250,517,637	P 229,940,967

Cost of memorial lots sold is comprised of:

	2015	2014	2013
Cost of land	**P 53,939,621**	P 41,382,374	P 39,779,589
Construction and development cost	**228,202,105**	200,694,051	182,519,884
	P 282,141,726	P 242,076,425	P 222,299,473

13.2 *Other Operating Expenses*

The details of other operating expenses are shown below.

	Notes		2015		2014		2013
Commission		P	**50,583,552**	P	38,875,301	P	33,995,058
Salaries and wages	17.1		**44,714,203**		31,968,499		29,191,830
Promotions			**18,782,783**		13,166,718		11,996,941
Outside services			**12,731,192**		7,192,650		5,863,592
Prompt payment discount			**10,948,382**		7,535,638		6,754,066
Trainings and seminars			**7,132,145**		4,542,581		7,737,552
Professional fees			**6,309,025**		4,065,181		3,532,508
Depreciation and amortization	7		**5,700,616**		6,780,469		4,910,770
Meetings and conferences			**5,611,747**		3,763,063		7,288,284
Collection fees			**5,367,101**		4,068,795		3,370,344
Utilities			**5,080,322**		4,063,621		3,503,323
Transportation and travel			**4,887,213**		4,100,522		3,803,608
Rentals	16.1, 20.1		**3,374,890**		3,179,882		2,932,881
Representation			**3,264,161**		2,800,194		3,510,890
Taxes and licenses	25.1(f)		**2,567,573**		2,184,918		1,391,556
Insurance			**2,238,118**		1,744,569		1,745,907
Office supplies			**1,902,827**		1,559,308		1,402,923
Advertising			**1,828,512**		1,013,472		1,370,527
Management fees			**1,800,000**		1,838,592		1,800,000
Park operation			**1,726,809**		1,987,233		1,529,272
Repairs and maintenance			**1,091,886**		758,080		687,132
Miscellaneous			**6,328,235**		3,379,089		4,483,205
		P	**203,971,292**	P	150,568,375	P	142,802,169

Miscellaneous mainly consist of subscription dues and other fees such as registration, transfer and mortgage fees.

14. OTHER INCOME – Net

14.1 *Other Income (Charges)*

Presented below are the details of other income (charges).

	Notes		2015		2014		2013
Other revenues	14.2	**P**	**21,208,557**	P	11,884,698	P	3,761,866
Finance income	4, 17.2		**996,056**		1,116,865		2,082,565
Finance costs	10	(	**1,550,336)**	(	150,139)	(	111,752)
		P	**20,654,277**	P	12,851,424	P	5,732,679

14.2 Other Revenues

This account consists of (see Note 14.1):

	2015	2014	2013
Forfeited sales	P **13,977,297**	P 4,712,033	P 1,254,571
Transfer fees	**4,457,582**	2,240,178	1,405,944
Interest on past due accounts	**1,714,524**	3,769,079	394,251
Service tent rentals	**757,667**	636,823	529,146
Others	**301,487**	526,585	177,954
	P **21,208,557**	P 11,884,698	P 3,761,866

Others include penalties from customers with lapsed payments, restructured accounts, and other fees collected for transactions incidental to the Company's operations such as payment for passbooks, memorial garden construction fee, among others.

15. CURRENT AND DEFERRED TAXES

The components of tax expense reported in profit or loss and in other comprehensive income for the years ended December 31 follow:

	2015	2014	2013
Reported in profit or loss:			
Current tax expense:			
Regular corporate income tax (RCIT) at 30%	P **28,545,751**	P 13,333,610	P 8,163,702
Final tax at 20% and 7.5%	**199,212**	233,373	416,513
	28,744,963	13,556,983	8,580,215
Deferred tax expense relating to origination and reversal of temporary differences	**36,473,048**	48,314,874	35,923,436
	P **65,218,011**	P 61,871,857	P 44,503,651
Reported in other comprehensive loss –			
Deferred tax income relating to origination and reversal of temporary differences	(P **27,002**)	(P 524,221)	(P 201,733)

The reconciliation of tax on pretax profit computed at the applicable statutory rate to tax expense is as follows:

	2015	2014	2013
Tax on pretax profit	P **64,899,965**	P 61,950,018	P 44,678,383
Adjustment for income subjected to lower tax rate	(**99,606**)	(111,687)	(208,258)
Tax effect of non-deductible expenses	**417,652**	33,526	33,526
	P **65,218,011**	P 61,871,857	P 44,503,651

The net deferred tax liabilities, as of December 31 relates to the following:

	Statements of Financial Position		
	2015	2014	2013
Unrealized gross profit	**P 256,366,497**	P 219,940,960	P 171,668,779
Unamortized past service cost	**(368,283)**	(337,078)	(188,663)
Retirement benefit obligation (asset)	**(22,890)**	(74,604)	258,509
Net deferred tax liabilities	**P 255,975,324**	P 219,529,278	P 171,738,625

	Statements of Comprehensive Income					
	Profit or Loss			Other Comprehensive Income		
	2015	2014	2013	**2015**	2014	2013
Unrealized gross profit	**(P 36,425,537)**	(P 48,272,181)	(P 36,249,550)	**P -**	P -	P -
Unamortized past service cost	**31,205**	148,415	349,697	**-**	-	-
Retirement benefit obligation (asset)	**(78,716)**	(191,108)	(23,583)	**27,002**	524,221	201,733
Deferred Tax Income (Expense)	**(P 36,473,048)**	(P 48,314,874)	(P 35,923,436)	**P 27,002**	P 524,221	P 201,733

The Company is subject to the minimum corporate income tax (MCIT) which is computed at 2% of gross income, as defined under the tax regulations, or RCIT, whichever is higher. The Company reported RCIT in 2015, 2014 and 2013 as the RCIT is higher than MCIT in such years.

In 2015, 2014 and 2013, the Company claimed itemized deductions in computing for its income tax due.

16. RELATED PARTY TRANSACTIONS

The significant transactions of the Company in the normal course of business with its related parties are described below.

		2015		2014		2013	
	Notes	**Amount of Transaction**	**Outstanding Receivable (Payable)**	Amount of Transaction	Outstanding Receivable (Payable)	Amount of Transaction	Outstanding Receivable (Payable)
Parent Company:							
Advances granted	16.2	**(P 55,371,939)**	**P 70,212,101**	P -	P 125,584,040	P -	P 125,584,040
Cash dividends	16.2, 18	**(784,872,000)**	**(634,872,000)**	-	-	-	-
Stockholders:							
Lease of office space	16.1	**(600,000)**	**(3,800,000)**	(600,000)	(3,200,000)	(600,000)	(2,600,000)
Cash dividends	18	**(15,128,000)**	**(15,128,000)**	-	-	-	-
Related Parties Under Common Ownership:							
Advances granted	16.2	**(81,320,665)**	**-**	8,827,122	81,320,665	14,577,098	72,493,543
Advances obtained	16.3	**-**	**(18,377,019)**	(2,808,900)	(18,377,019)	(3,104,112)	(15,568,119)
Key Management Personnel –							
Compensation	16.4	**9,414,859**	**-**	7,720,269	-	6,221,896	-

None of the Company's outstanding balances with related parties has indication of impairment; hence, no impairment losses were recognized in the years presented.

16.1 Lease of Office Space

The Company leases its main office from a certain stockholder. The lease is renewable annually. Rental expense is shown as part of Rentals under Other Operating Expenses account in the statements of comprehensive income (see Note 13.2). The amount of unpaid rental which are generally noninterest-bearing, unsecured and settled through cash as of December 31, 2015, 2014 and 2013 is presented as part of Accounts Payable under Trade and Other Payables account in the statements of financial position (see Note 11).

16.2 Due from Related Parties

The Company grants unsecured, noninterest-bearing advances to parent company and related parties under common ownership, which are payable in cash on demand.

In 2015, the BOD approved the assignment of the remaining balance of the Company's outstanding due from related parties under common ownership to the parent company. Also in 2015, due from the parent company amounting to P150.0 million were offset against the Company's cash dividends payable to the parent company (see Note 18).

The outstanding advances arising from these transactions amounting to P70.2 million, P206.9 million and P198.1 million as at December 31, 2015, 2014 and 2013, respectively, is presented as Due from Related Parties in the statements of financial position.

The changes in the Due from Related Parties account are shown below.

	Note	2015	2014	2013
Balance at beginning of year		**P 206,904,705**	P 198,077,583	P 183,500,485
Additions		**13,307,396**	8,827,122	14,577,098
Advances set-off	18	**(150,000,000)**	-	-
Balance at end of year		**P 70,212,101**	P 206,904,705	P 198,077,583

16.3 Due to Affiliates

In 2015, 2014 and 2013, the Company obtained short-term unsecured, noninterest-bearing advances from related parties for working capital requirements payable on demand. The details of Due to affiliates presented as part of Trade and Other Payables account (see Note 11) as at December 31, 2015, 2014 and 2013 is as follows:

	2015	2014	2013
Balance at beginning of year	**P 18,377,019**	P 15,568,119	P 8,811,872
Additions	**-**	2,808,900	6,756,247
Balance at end of year	**P 18,377,019**	P 18,377,019	P 15,568,119

16.4 Key Management Personnel Compensation

The compensation of key management personnel for the years ended December 31 follows:

		2015		2014		2013
Short term benefits	P	8,733,494	P	7,449,893	P	5,216,580
Post-employment benefits		681,365		270,376		1,005,316
	P	9,414,859	P	7,720,269	P	6,221,896

17. EMPLOYEE BENEFITS

17.1 Salaries and Employee Benefits

Details of salaries and employee benefits are presented below.

	Notes		2015		2014		2013
Short-term employee benefits		P	43,887,904	P	31,426,048	P	26,213,386
Post-employment defined benefit	17.2		826,299		542,451		2,978,444
	13.2	P	44,714,203	P	31,968,499	P	29,191,830

17.2 Post-employment Defined Benefit Plan

(a) Characteristics of the Post-Employment Defined Benefit Plan

The Company maintains a funded, non-contributory post-employment benefit plan. The post-employment plan covers all regular full-time employees.

The Company's post-employment defined benefit plan is based solely on the requirement of Republic Act No. 7641, *Retirement Pay Law*. The optional retirement age is 60 with a minimum of 5 years of credited service. Normal retirement benefit is based on the employee's final salary and years of credited service.

(b) Explanation of Amounts Presented in the Financial Statements

Actuarial valuations are made annually to update the post-employment benefit costs and the amount of contributions. All amounts presented in succeeding pages are based on the actuarial valuation report obtained from an independent actuary in 2015.

The amounts of retirement benefit obligation (asset) recognized in the statements of financial position are determined as follows:

	2015	2014	2013
Present value of the defined benefit obligation	P 9,700,378	P 8,657,460	P 6,384,796
Fair value of plan assets	(9,624,079)	(8,408,782)	(7,246,493)
	P 76,299	P 248,678	(P 861,697)

The movements in the present value of defined benefit obligation recognized in the books are as follows:

	2015	2014	2013
Balance at beginning of year	P 8,657,460	P 6,384,796	P 2,884,355
Current service cost	826,299	533,090	288,231
Interest expense	393,914	359,464	175,369
Actuarial losses (gains) arising from:			
Changes in demographic assumptions	(6,275,260)	-	-
Experienced adjustments	3,927,871	(102,045)	(112,706)
Changes in financial assumptions	2,170,094	1,472,794	459,334
Acquired obligation	-	9,361	2,690,213
Balance at end of year	P 9,700,378	P 8,657,460	P 6,384,796

The movements in the fair value of plan assets are presented below.

	2015	2014	2013
Balance at beginning of year	P 8,408,782	P 7,246,493	P 5,584,151
Interest income	382,600	438,943	388,156
Actual contributions	1,100,000	1,100,000	1,600,000
Losses on return on plan assets	(267,303)	(376,654)	(325,814)
Balance at end of year	P 9,624,079	P 8,408,782	P 7,246,493

The Company's plan assets is composed of special deposit accounts. The plan assets do not comprise any of the Company's own financial instruments or any of its assets occupied and/or used in its operations.

Actual return on plan assets amounted to P115,297, P62,289 and P62,342 for 2015, 2014 and 2013, respectively.

The components of amounts recognized in profit or loss and in other comprehensive income in respect of the post-employment defined benefit plan are as follows:

		2015		2014		2013
Reported in profit or loss:						
Current service cost	**P**	**826,299**	P	533,090	P	288,231
Interest expense (income) – net		**11,314**	(	79,479)	(	212,787)
Acquired obligation		**-**		9,361		2,690,213
	P	**837,613**	P	462,972	P	2,765,657
Reported in other comprehensive loss:						
Actuarial gains (losses) arising from:						
Changes in financial assumptions	**(P**	**2,170,094)**	(P	1,472,794)	(P	459,334)
Changes in demographic assumptions		**6,275,260**		-		-
Experience adjustments	**(**	**3,927,871)**		102,045		112,706
Losses on return on plan assets	**(**	**267,303)**	(	376,654)	(	325,814)
	(P	**90,008)**	(P	1,747,403)	(P	672,442)

Current service cost and acquired obligation are presented as part of Salaries and employee benefits under the Other Operating Expenses account in the statements of comprehensive income (see Note 17.1).

Net interest expense (income) is presented as part of Finance Costs or Finance income under Other Income – net in the statements of comprehensive income (see Note 14.1).

Amounts recognized in other comprehensive income were included within items that will not be reclassified subsequently to profit or loss.

For the determination of the retirement benefit obligation, the following actuarial assumptions were used:

	2015	2014	2013
Discount rates	**5.09%**	4.55%	5.63%
Expected rate of salary increases	**10.00%**	7.75%	7.75%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the age of 60 is five years for both male and female. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of a zero coupon government bond with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) Risks Associated with the Retirement Plan

The plan exposes the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment and Interest Risks

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bond will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in savings deposit accounts and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has only investments in cash in banks.

(ii) Longevity and Salary Risks

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) Other Information

The information on the sensitivity analysis for certain significant actuarial assumptions, the Company's timing and uncertainty of future cash flows related to the retirement plan are described below and in the succeeding page.

(i) Sensitivity Analysis

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation as of December 31, 2015 and 2014:

	Impact on Retirement Benefit Obligation		
	Change in Assumption	**Increase in Assumption**	**Decrease in Assumption**
December 31, 2015			
Discount rate	**+6.09%/-4.09%**	**(P 8,267,134)**	**P 11,439,564**
Salary growth rate	**+11.00%/-9.00%**	**11,384,755**	**(8,279,460)**
December 31, 2014			
Discount rate	+5.55%/-3.55%	(P 7,283,131)	P 10,349,632
Salary growth rate	+8.75%/-6.75%	10,222,578	(7,348,147)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

(ii) Asset-liability Matching Strategies

To efficiently manage the retirement plan, the Company through its Retirement Committee, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to ensure that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in fixed interest financial assets, primarily in short term placements. The Company monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations.

The plan asset is currently composed of special deposit accounts as the Company believes that these investments are the best returns with an acceptable level of risk.

There has been no change in the Company's strategies to manage its risks from previous period.

(iii) Funding Arrangements and Expected Contributions

The plan is currently underfunded by P76,299 based on the latest actuarial valuation. While there are no minimum funding requirement in the Philippines, there is a risk that the Company may not have the cash if several employees retire within the same year.

The Company expects to make contribution of P1.1 million to the plan during the next reporting period.

The maturity profile of undiscounted expected benefit payment from the plan as of December 31 follows:

	2015	2014
More than 10 years to 15 years	**P 19,390,430**	P 17,897,481
More than 15 years to 20 years	**17,351,597**	2,313,073
More than 20 years	**53,060,585**	60,829,573
	P 89,802,612	P 81,040,127

The weighted average duration of the defined benefit obligation at the end of the reporting period is 23 years.

18. EQUITY

18.1 Capital Stock

The Company's authorized capital stock consists of 200,000 common shares at P100 par value per share. Issued and outstanding shares as of December 31, 2015, 2014 and 2013 consisted of 200,000 shares equivalent to P20.0 million.

On March 17, 2016, the SEC approved the increase in the Company's authorized capital stock from P20.0 million divided into 200,000 common shares with par value of P100 per share to P1.0 billion divided into 996,000,000 common shares with par value of one peso per share and 400,000,000 preferred shares with par value of one centavo per share.

As of December 31, 2015, 2014 and 2013, the Company has four stockholders owning 100 or more shares each of the Company's capital stock.

18.2 Revaluation Reserves

As of December 31, 2015, 2014 and 2013, the Company has accumulated actuarial losses, net of tax, due to remeasurement of post-employment defined benefit plan amounting to P2.5 million, P2.5 million and P1.2 million, respectively (see Note 17.2).

18.3 Retained Earnings

On December 29, 2015, the BOD approved the declaration of cash dividends of P4,000 per common share (or a total of P800.0 million) , payable to stockholders of record as of the date of declaration. The balance of dividends payable amounting to P650.0 million, net of advances set-off amounting to P150.0 million (see Note 16.2), was presented as Dividends Payable in the 2015 statement of financial position. There was no similar transaction in 2014 and 2013.

The BOD approved an appropriation of retained earnings of P940.0 million and P40.0 million in 2014 and 2013, respectively, for additional capital expansion, which will be completed within the next three years. In 2015, the BOD approved the reversal of a portion of appropriated retained earnings amounting to P660.0 million.

19. EARNINGS PER SHARE

The basic and diluted earnings per share were computed as follows:

	2015	2014	2013
Net profit	**P 151,115,204**	P 144,628,202	P 104,424,291
Divided by the weighted number of outstanding common shares	**200,000**	200,000	200,000
Basic and diluted earnings per share	**P 755.58**	P 723.14	P 522.12

The Company has no dilutive potential common shares as at December 31, 2015, 2014 and 2013; hence, diluted earnings per share equals the basic earnings per share.

20. COMMITMENTS AND CONTINGENCIES

20.1 Operating Lease Commitments

The Company is a lessee under non-cancellable operating lease agreements for its office spaces. The leases have terms ranging from three to five years with renewal options upon mutual written agreement between the parties, and include annual escalation in rental rates.

The total rentals from this operating lease amounted to P3.4 million, P3.2 million and P2.9 million in 2015, 2014 and 2013, respectively, of which the major portion is shown as Rentals under Other Operating Expenses in the statements of comprehensive income (see Note 13.2).

The future minimum rentals payable under these operating lease as of December 31 are as follows:

	2015	2014	2013
Within one year	**P 1,272,879**	P 2,243,323	P 1,938,955
Beyond one year but within five years	**352,800**	3,566,331	3,615,604
	P 1,625,679	P 5,809,654	P 5,554,559

20.2 Others

There are other commitments and contingent liabilities that arise in the normal course of the Company's operations which are not reflected in the financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

21. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not engage in the trading of financial assets for speculative purposes nor does it write options. The significant financial risks, unless otherwise stated, to which the Company is exposed to are described below and in the succeeding pages.

21.1 Interest Rate Risk

Currently, the Company has no material financial assets and financial liabilities with floating interest rates.

21.2 Credit Risk

The Company operates under sound credit-granting criteria wherein credit policies are in place. These policies include a thorough understanding of the customer or counter-party as well as the purpose and structure of credit and its source of repayment. Credit limits are set and monitored to avoid significant concentrations to credit risk. The Company also employs credit administration activities to ensure that all facets of credit are properly maintained.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The position and credit limits are established appropriate to the type, nature and volume of business undertaken and the financial status of the counterparty and reviewed on a regular basis. Where available at a reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the statements of financial position are summarized below.

	Notes	**2015**	2014	2013
Cash and cash equivalents	4	**P 114,643,585**	P 80,658,788	P 129,097,024
Contracts receivable	5	**1,274,093,294**	1,087,851,759	941,792,142
Due from related parties	16.1	**70,212,101**	206,904,705	198,077,583
Security deposits	9	**1,509,271**	789,155	766,655
		P1,460,458,251	P1,376,204,407	P1,269,733,404

Cash in banks and placements are insured by the Philippine Deposit Insurance Commission up to a maximum coverage of P500,000 for every depositor per banking institution. Also, the Company's contracts receivable are effectively collateralized by memorial lots. Other financial assets are not secured by any collateral or other credit enhancements.

All contracts receivable are subject to credit risk exposure. However, the Company does not identify specific concentrations of credit risk with regard to contracts receivable as the amounts recognized resemble a large number of receivables from various customers and is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The due from related parties are considered negligible since the counterparties are in good financial condition.

Some of the contracts receivable are past due as at the reporting date. The contract receivables that are past due but not impaired are as follows:

	2015	2014	2013
More than 3 months but not more than 6 months	**P 20,057,845**	P 15,615,267	P 15,512,921
More than 6 months but not more than one year	**30,780,488**	23,799,339	24,572,491
More than one year	**96,304,548**	89,985,645	63,740,693
	P 147,142,881	P 129,400,251	P 103,826,105

21.3 Liquidity Risk

The Company manages its liquidity needs by carefully monitoring cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits or short-term placements. As at December 31, 2015, 2014, 2013, the contractual maturities of the Company's financial liabilities are presented below.

		Current		Non-current	
	Notes	Within 6 Months	6 to 12 Months	1 to 5 Years	Later than 5 Years
2015					
Interest-bearing loans	10	P 3,277,148	P 3,199,205	P 3,178,660	P -
Trade and other payables	11	1,360,403	121,187,245	-	-
Reserve for perpetual care	12	-	-	152,252,485	-
		P 4,637,551	**P124,386,450**	**P155,431,145**	**P -**
2014					
Trade and other payables	11	P -	P 97,119,587	P -	P -
Reserve for perpetual care	12	-	-	133,859,497	-
		P -	P 97,119,587	P133,859,497	P -
2013					
Trade and other payables	11	P -	P104,533,665	P -	P -
Reserve for perpetual care	12	-	-	127,000,925	-
		P -	P104,533,665	P127,000,925	P -

22. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

22.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the statements of financial position are shown below.

		2015		2014		2013	
	Notes	Carrying Values	Fair Values	Carrying Values	Fair Values	Carrying Values	Fair Values
Financial Assets							
Loans and receivables:							
Cash and cash equivalents	4	P 114,643,585	P 114,643,585	P 80,658,788	P 80,658,788	P 129,097,024	P 129,097,024
Contracts receivable	5	1,274,093,294	1,274,093,294	1,087,851,759	1,087,851,759	941,792,142	941,792,142
Due from related parties	16	70,212,101	70,212,101	206,904,705	206,904,705	198,077,583	198,077,583
Security Deposits	9	1,509,271	1,509,271	789,155	789,155	766,655	766,655
		P 1,460,458,251	P 1,460,458,251	P 1,376,204,407	P 1,376,204,407	P 1,269,733,404	P 1,269,733,404
Financial Liabilities							
At amortized cost:							
Interest-bearing loans	10	P 9,018,785	P 9,018,785	P -	P -	P -	P -
Trade and other payables	11	122,547,648	122,547,648	97,119,587	97,119,587	104,533,665	104,533,665
Reserve for perpetual care	12	152,252,485	152,252,485	133,859,497	133,859,497	127,000,925	127,000,925
		P 283,818,918	P 283,818,918	P 230,979,084	P 230,979,084	P 231,534,590	P 231,534,590

See Notes 2.3 and 2.8 for a description of the accounting policies for each category of financial instrument. A description of the Company's risk management objectives and policies for financial instruments is provided in Note 21.

22.2 Offsetting of Financial Assets and Financial Liabilities

Except as more fully described in Notes 16 and 18, the Company has not set-off financial instruments in 2015, 2014 and 2013 and does not have relevant offsetting arrangements. Currently, all other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis in the event of default of the other party through approval by both parties' BOD and stockholders. As such, the Company's outstanding receivables from and payables to the same related parties as presented in Note 16 can be potentially offset to the extent of their corresponding outstanding balances.

23. FAIR VALUE MEASUREMENT AND DISCLOSURES

23.1 Fair Value Hierarchy

In accordance with PFRS 13, 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 or 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.

As of December 31, 2015, 2014 and 2013, the Company has no financial assets or financial liabilities that are measured at fair value.

23.2 Fair Value Measurement for Non-financial Assets

The Company's investment properties amounting to P41.3 million, P46.9 million and P52.7 million are categorized under level 3 hierarchy of non-financial assets measured at cost as of December 31, 2015, 2014 and 2013, respectively.

The fair value of the Company's investment properties amounting to P1.1 billion as of December 31, 2015 are determined on the basis of the appraisals performed by an independent appraiser with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. To some extent, the valuation process was conducted by the appraiser in discussion with the Company's management with respect to the determination of the inputs such as the size, age, and condition of the land and buildings, and the comparable prices in the corresponding property location.

In estimating the fair value of these properties, management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management assessment, the best use of the Company's non-financial assets indicated above is their current use.

The level 3 fair value of land was determined based on the observable recent prices of the reference properties, adjusted for differences in key attributes such as property size, zoning, and accessibility. The most significant input into this valuation approach is the price per square foot; hence, the higher the price per square foot, the higher the fair value.

24. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

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

The Company monitors capital on the basis of the carrying amount of equity as presented in the statements of financial position. Capital for the reporting periods under review is summarized as follows:

	2015	2014	2013
Total liabilities (excluding dividends payable)	**P 702,442,206**	P 582,952,590	P 515,636,236
Total adjusted equity	**434,656,705**	1,083,604,507	940,199,487
Debt-to-equity ratio	**1.62 : 1.00**	0.54 : 1.00	0.55 : 1.00

25. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

Presented below and in the succeeding pages is the supplementary information which is required by the Bureau of Internal Revenue (BIR) under its existing revenue regulations to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

25.1 Requirements under Revenue Regulations (RR) No. 15-2010

The information on taxes, duties and license fees paid or accrued during the taxable year required under RR No. 15-2010 issued are as follows.

(a) Output VAT

In 2015, the Company declared output VAT of P41,235,180 from sales of goods amounting to P343,626,497.

The tax base for the mentioned account is based on the Company's gross receipts for the year; hence, may not be the same as the amounts accrued in the 2015 statement of comprehensive income.

The outstanding output VAT payable amounting to P3,294,656 as of December 31, 2015 is presented as part of Trade and Other Payables account in the 2015 statement of financial position (see Note 11).

(b) Input VAT

The movements in input VAT in 2015 are summarized below.

Balance at beginning of year	P -
Capital goods subject to amortization	9,668,041
Services lodged under cost of goods sold	3,172,328
Tax credit	17,807,321
Applied against output VAT	(30,647,690)
Balance at end of year	P -

(c) Taxes on Importation

The Company has not paid or accrued any customs duties and tariff fees in 2015 as it had no importations for the year.

(d) Excise Tax

The Company did not have any transactions in 2015 which are subject to excise tax.

(e) Documentary Stamp Tax

There were no documentary stamp taxes paid in 2015.

(f) Taxes and Licenses

The details of the account (see Note 13.2) for 2015 is broken down as follows:

Business tax	P 1,665,628
Real property taxes	803,267
Fringe benefit tax	18,982
Miscellaneous	79,696
	P 2,567,573

(g) Withholding Taxes

The details of total withholding taxes for the year ended December 31, 2015 are shown below.

Expanded	P 7,025,691
Compensation	4,837,659
	P11,863,350

The Company did not have any transactions which are subject to final withholding taxes during the year.

(h) Tax Assessments and Tax Cases

As of December 31, 2015, the Company does not have any final deficiency tax assessments from the BIR nor does it have tax cases on outstanding or pending in courts or bodies outside of the BIR in any of the open years.

25.2 Requirements under RR No. 19-2011

RR No. 19-2011 requires schedules of taxable revenues and other non-operating income, costs of sales and services, itemized deductions and other significant tax information, to be disclosed in the notes to financial statements.

The amounts of taxable revenues and income, and deductible costs and expenses presented below and in the succeeding pages are based on relevant tax regulations issued by the BIR; hence, may not be the same as the amounts reflected in the 2015 statement of comprehensive income.

(a) Taxable Revenues

The composition of the Company's taxable revenues subject to regular tax rate for the year ended December 31, 2015 is presented below.

Sale of lots	P 529,379,708
Other income	41,999,122
	P 571,378,830

(b) Deductible Costs of Sales and Services

Deductible costs of sale of memorial lots under the regular tax rates for the year ended December 31, 2015 comprise the following:

Cost of real estate sales	P 282,141,726
Cost of interment	11,005,332
	P 293,147,058

(c) Taxable Non-operating and Other Income

The details of taxable non-operating and other income in 2015 which are subject to regular tax rate are shown below.

Forfeited sales	P 13,977,297
Transfer fees	4,457,582
Interest income on past due accounts	1,714,524
Others	1,079,154
	P 21,228,557

(d) Itemized Deductions

The amounts of itemized deductions for the year ended December 31, 2015 are as follows:

Commissions	P 50,583,552
Salaries and allowances	44,872,571
Advertising and promotions	20,611,295
Outside services	12,731,192
Prompt payment discount	10,948,382
Trainings and seminars	7,132,145
Professional fees	6,309,025
Depreciation and amortization	5,700,616
Meetings and conferences	5,611,747
Collection fees	5,367,101
Communication, light and water	5,080,322
Transportation and travel	4,887,213
Rentals	3,374,890
Representation	3,264,161
Taxes and licenses	2,567,573
Insurance	2,238,118
Office supplies	1,902,827
Management and consultancy fee	1,800,000
Park operations	1,726,809
Finance costs	1,241,637
Repairs and maintenance	1,091,886
Miscellaneous	5,264,764
	P 204,307,826

Golden Haven Memorial Park, Inc.
(A Subsidiary of Fine Properties, Inc.)
Schedule of Philippine Financial Reporting Standards and Interpretations
Adopted by the Securities and Exchange Commission and the
Financial Reporting Standards Council as of December 31, 2015

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
Framework for the Preparation and Presentation of Financial Statements		✓		
Conceptual Framework Phase A: Objectives and Qualitative Characteristics		✓		
Practice Statement Management Commentary			✓	
Philippine Financial Reporting Standards (PFRS)				
PFRS 1 (Revised)	First-time Adoption of Philippine Financial Reporting Standards	✓		
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters	✓		
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First-time Adopters	✓		
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters	✓		
	Amendment to PFRS 1: Government Loans	✓		
PFRS 2	Share-based Payment			✓
	Amendments to PFRS 2: Vesting Conditions and Cancellations			✓
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			✓
PFRS 3 (Revised)	Business Combinations			✓
PFRS 4	Insurance Contracts			✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			✓
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			✓
PFRS 6	Exploration for and Evaluation of Mineral Resources			✓
PFRS 7	Financial Instruments: Disclosures	✓		
	Amendments to PFRS 7: Transition	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	✓		
	Amendments to PFRS 7: Improving Disclosures about Financial Instruments	✓		
	Amendments to PFRS 7: Disclosures – Transfers of Financial Assets	✓		
	Amendments to PFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	✓		

	Amendment to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures* *(effective when PFRS 9 is first applied)*			✓
PFRS 8	Operating Segments			✓
PFRS 9	Financial Instruments (2014)* *(effective January 1, 2018)*			✓
PFRS 10	Consolidated Financial Statements			✓
	Amendment to PFRS 10: Transition Guidance			✓
	Amendment to PFRS 10: Investment Entities			✓
	Amendment to PFRS 10: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture *(effective January 1, 2016)*			✓
	Amendment to PFRS 10: Investment Entities – Applying the Consolidation Exception *(effective January 1, 2016)*			✓
PFRS 11	Joint Arrangements			✓
	Amendment to PFRS 11: Transition Guidance			✓
	Amendment to PFRS 11: Accounting for Acquisitions of Interests in Joint Operations *(effective January 1, 2016)*			✓

PFRS 12	Disclosure of Interests in Other Entities			✓
	Amendment to PFRS 12: Transition Guidance			✓
	Amendment to PFRS 12: Investment Entities			✓
	Amendment to PFRS 10: Investment Entities – Applying the Consolidation Exception *(effective January 1, 2016)*			✓
PFRS 13	Fair Value Measurement	✓		
PFRS 14	Regulatory Deferral Accounts* *(effective January 1, 2016)*			✓
Philippine Accounting Standards (PAS)				
PAS 1 (Revised)	Presentation of Financial Statements	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation	✓		
	Amendment to PAS 1: Presentation of Items of Other Comprehensive Income	✓		
	Amendment to PAS 1: Disclosure Initiative* *(effective January 1, 2016)*			✓
PAS 2	Inventories	✓		
PAS 7	Statement of Cash Flows	✓		
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	✓		
PAS 10	Events After the Reporting Period	✓		
PAS 11	Construction Contracts	✓		
PAS 12	Income Taxes	✓		
	Amendment to PAS 12 - Deferred Tax: Recovery of Underlying Assets	✓		
PAS 16	Property, Plant and Equipment	✓		
	Amendment to PAS 16: Bearer Plants* *(effective January 1, 2016)*			✓
	Amendment to PAS 16: Clarification of Acceptable Methods of Depreciation and Amortization* *(effective January 1, 2016)*			✓
PAS 17	Leases	✓		
PAS 18	Revenue	✓		
PAS 19 (Revised)	Employee Benefits	✓		
	Amendment to PAS 19: Defined Benefit Plans - Employee Contributions	✓		
PAS 20	Accounting for Government Grants and Disclosure of Government Assistance			✓
PAS 21	The Effects of Changes in Foreign Exchange Rates	✓		
	Amendment: Net Investment in a Foreign Operation			✓
PAS 23 (Revised)	Borrowing Costs	✓		
PAS 24 (Revised)	Related Party Disclosures	✓		
PAS 26	Accounting and Reporting by Retirement Benefit Plans			✓
PAS 27 (Revised)	Separate Financial Statements			✓
	Amendment to PAS 27: Investment Entities			✓
	Amendment to PAS 27: Equity Method in Separate Financial Statements *(effective January 1, 2016)*			✓
PAS 28 (Revised)	Investments in Associates and Joint Ventures			✓
	Amendment to PFRS 10: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture *(effective January 1, 2016)*			✓
	Amendment to PAS 28: Investment Entities - Applying the Consolidation Exception *(effective January 1, 2016)*			✓
PAS 29	Financial Reporting in Hyperinflationary Economies			✓
PAS 32	Financial Instruments: Presentation	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation	✓		
	Amendment to PAS 32: Classification of Rights Issues	✓		
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities	✓		

PAS 33	Earnings Per Share	✓		
PAS 34	Interim Financial Reporting			✓
PAS 36	Impairment of Assets	✓		
	Amendment to PAS 36: Recoverable Amount Disclosures for Non-financial Assets	✓		
PAS 37	Provisions, Contingent Liabilities and Contingent Assets	✓		
PAS 38	Intangible Assets			✓
	Amendment to PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization* *(effective January 1, 2016)*			✓
PAS 39	Financial Instruments: Recognition and Measurement	✓		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities	✓		
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions**	✓		
	Amendments to PAS 39: The Fair Value Option	✓		
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts**	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition**	✓		
	Amendments to Philippine Interpretation IFRIC 9 and PAS 39: Embedded Derivatives**	✓		
	Amendment to PAS 39: Eligible Hedged Items**	✓		
	Amendment to PAS 39: Novation of Derivatives and Continuation of Hedge Accounting**	✓		
PAS 40	Investment Property	✓		
PAS 41	Agriculture			✓
	Amendment to PAS 41: Bearer Plants* *(effective January 1, 2016)*			✓
Philippine Interpretations - International Financial Reporting Interpretations Committee (IFRIC)				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities**	✓		
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			✓
IFRIC 4	Determining Whether an Arrangement Contains a Lease	✓		
IFRIC 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds**	✓		
IFRIC 6	Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment			✓
IFRIC 7	Applying the Restatement Approach under PAS 29, Financial Reporting in Hyperinflationary Economies			✓
IFRIC 9	Reassessment of Embedded Derivatives**	✓		
	Amendments to Philippine Interpretation IFRIC–9 and PAS 39: Embedded Derivatives**	✓		
IFRIC 10	Interim Financial Reporting and Impairment			✓
IFRIC 12	Service Concession Arrangements			✓
IFRIC 13	Customer Loyalty Programmes			✓
IFRIC 14	PAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction**	✓		
	Amendments to Philippine Interpretations IFRIC - 14, Prepayments of a Minimum Funding Requirement and their Interaction**	✓		
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			✓
IFRIC 17	Distributions of Non-cash Assets to Owners**	✓		
IFRIC 18	Transfers of Assets from Customers**	✓		
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments**	✓		
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine			✓
IFRIC 21	Levies	✓		

Philippine Interpretations - Standing Interpretations Committee (SIC)				
SIC-7	Introduction of the Euro			✓
SIC-10	Government Assistance - No Specific Relation to Operating Activities			✓
SIC-13	Jointly Controlled Entities - Non-Monetary Contributions by Venturers			✓
SIC-15	Operating Leases - Incentives	✓		
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders**	✓		
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	✓		
SIC-29	Service Concession Arrangements: Disclosures			✓
SIC-31	Revenue - Barter Transactions Involving Advertising Services**	✓		
SIC-32	Intangible Assets - Web Site Costs			✓

* These standards will be effective for periods subsequent to 2015 and are not early adopted by the Company.

** These standards have been adopted in the preparation of financial statements but the Company has no significant transactions covered in both years presented.

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Wholly Owned Subsidiary of Fine Properties, Inc.)
List of Supplementary Information
December 31, 2015

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Wholly Owned Subsidiary of Fine Properties, Inc.)
No. 40 Real St., Zapote, Las Piñas City
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
December 31, 2015
(Amounts in Philippine Pesos)

Name	*Balance at beginning of year*	*Additions*	*Amounts Collected*	*Balance at end of year*
Regino, Michael	35,283	223,930	106,763	152,449
Cadacio , Ernaliza	12,994	5,906		18,900
Poblete, Rosa Jinky	1,972	745		2,717
Maranga, Bernadette	56,801	26,788	25,628	57,961
Gerson Bala	13,651		5,061	8,590
Anero Analyn	23,064			23,064
Culanag, Cheryll	18,326	52,500	27,143	43,683
Marata, Maria Fe	6,196	4,719	3,594	7,321
Cajio, Geo Harvey	56,456			56,456
				-
				-
Total	**P 224,742**	**P 314,588**	**168,188**	**P 371,141**

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Wholly Owned Subsidiary of Fine Properties, Inc.)
No. 40 Real St., Zapote, Las Piñas City
Schedule E - Long-Term Debt
December 31, 2015
(Amounts in Philippine Pesos)

Title of issue and type of obligation	*Amount authorized by indenture*	*Amount shown under caption "Trade and Other Payables" in related statement of financial position*	*Amount shown under caption "Other Non-current Liabilities" in related statement of financial position*
Bank Loan	*P 3,047,174*		*3,047,173.74*

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Wholly Owned Subsidiary of Fine Properties, Inc.)
No. 40 Real St., Zapote, Las Piñas City
Schedule F - Indebtedness to Related Parties
December 31, 2015
(Amounts in Philippine Pesos)

Name of Related Parties	*Balance at beginning of year*	*Balance at end of year*
Communities Phils. Inc	18,377,019	18,377,019
		-
Total	P 18,377,019	P 18,377,019

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Wholly Owned Subsidiary of Fine Properties, Inc.)
Schedule H - Capital Stock
No. 40 Real St., Zapote, Las Piñas City
December 31, 2015
(Amounts in Philippine Pesos)

			Number of shares held by	
Title of Issue	*Number of shares authorized*	*Number of shares issued and outstanding as shown under the related statement of financial position*	*Directors, officers and employees*	*Others*
Common shares	200,000	200,000	3,782	196,218

GOLDEN HAVEN MEMORIAL PARK, INC.
(A Subsidiary of Fine Properties, Inc.)
No. 40 Real St., Zapote, Las Piñas City

Reconciliation of Retained Earnings Available for Dividend Declaration
As of and for the Year Ended December 31, 2015

Unappropriated Retained Earnings at Beginning of Year		P 6,077,096
Less Prior Years' Outstanding Reconciling Items, net of tax		
Deferred tax income	(P 337,078)	(337,078)
Effect of Prior Period Adjustments		
Unappropriated Retained Earnings Available for Dividend Declaration at Beginning of Year, as Adjusted		5,740,018
Net Profit Realized during the Year		
Net profit per audited financial statements	151,115,204	
Less: Deferred tax income	(31,205)	151,083,999
Fair value gains arising from mark-to-market measurement of financial assets at fair value through profit or loss		
Dividend Declarations During tbe Year		(800,000,000)
Reversal of Appropriations		660,000,000
Unappropriated Retained Earnings Available for Dividend Declaration at End of Year		**P 16,824,017**