



SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES  
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended March 31, 2017
2. SEC Identification Number ASO92-06441 3. BIR Tax Identification No. 001-945-016
4. Exact name of issuer as specified in its charter SOCResources, Inc.
5. Not Applicable 6.  (SEC Use Only)  
Province, Country or other jurisdiction of Industry Classification Code:  
incorporation or organization
7. 4<sup>th</sup> Floor ENZO Bldg. 399 Senator Gil Puyat Avenue  
Makati City 1200  
Address of principal office Postal Code
8. (632) 804-1977 / 804-1978  
Issuer's telephone number, including area code
9. SOUTH CHINA RESOURCES, INC./ ENZO Bldg. Senator Gil Puyat Avenue  
Makati City  
Former name, former address and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sec. 4 and 8 of the RSA
- | Title of Each Class  | Number of Shares of Common Stock<br>Outstanding and Amount of Debt Outstanding |
|----------------------|--------------------------------------------------------------------------------|
| <u>Common Shares</u> | <u>901,920,568</u>                                                             |
11. Are any or all of these securities listed on a Stock Exchange?
- Yes [ ☒ ] No [ ☐ ]
- If yes, state the name of such stock exchange and the class/es of securities listed therein:
- | Name of Stock Exchange           | Class of Securities listed |
|----------------------------------|----------------------------|
| <u>Philippine Stock Exchange</u> | <u>U</u>                   |

12. Check whether the issuer:

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

Yes [ ☒ ]                      No [ ☐ ]

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

Yes [ ☒ ]                      No [ ☐ ]

## PART 1 – FINANCIAL INFORMATION

### Item 1: Financial Statements

#### Financial Report

- a) The accompanying interim financial statements are prepared in accordance with the Philippine Financial Reporting Standards (PFRS).
- b) There were no changes made in the accounting policies and methods of computation as compared with the last annual financial statements.
- c) Quarterly financial statements are prepared for the interim operations for the updated information of the stockholders and basis for the decision making of the management.
- d) For this interim period, the Company has no unusual transactions or had encountered events that affect materially its assets, liabilities, equity, net income or cash flows.
- e) The Company did not report in its financial statements any estimates of amount of a given transactions for this interim period and in prior interim periods.
- f) There were no issuances, repurchases, and repayments of debt securities for this interim period.
- g) There are no changes in the composition of the issuer during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.
- h) The Company has no contingent assets or liabilities since the last annual balance sheet date.

### Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

#### BUSINESS

The Securities and Exchange Commission (SEC), on October 30, 2003, approved the amendment of the Company's Articles of Incorporation to change the primary purpose thereof to that of a holding company and to include its then primary purpose of oil exploration as among the secondary purposes of the Company.

On April 25, 2014, the Board of Directors approved the amendment in the Articles of Incorporation to change the name of South China Resources, Inc. to SOCResources, Inc. (SOC). The change was approved by the Philippine SEC on September 04, 2014.

SOC was incorporated and registered with the SEC on September 25, 1992 primarily to undertake oil and gas exploration, development and production and became one of the leading exploration companies upon its listing in 1994. Starting in 1995, SOC opted to strengthen its core business by diversifying then into other investments which after two decades the company has now turned out to be one of the strongest holding companies in the market having had investments in real estate, steel fabrication, banking, telecommunications and energy exploration. The company is debt free and has a robust balance sheet

The diversification process, brought on by the financial crisis of the 90's, honed through the years, and allowed SOC to invest in technology based and long-term ventures. This gave the company the means to weather the lows of the period. One of the first and significant investments was the acquisition and sale of Bell Telecommunications Philippines, Inc., the acquisition and subsequent sale of Filipinas Plaza along EDSA corner Chino Roces Avenue and minority equity in Premiere Development Bank.

The sale of previous possessions Filipinas Plaza and BellTel gave the company the influx of funds for re-investment and following the proven model of acquisition and sale of significant assets, SOC acquired position in AGP International Inc in December 2010 which in turn gained control of AG&P Manila. AG&P Manila is one of the oldest and largest steel

fabrication companies in the country with the unchallenged capability in modular fabrication. AG&P was supposedly a long-term investment however management was able to identify an opportunity which allowed for a shorter turn-around time in recouping this investment. This allowed for recoup of the investment and make a good return in what would have taken the company more than several years at the very least following the usual course of investment and dividend sharing. On January 31, 2012, the company sold its AGP shares at a good profit.

Premier Bank on the other hand expanded to almost 40 branches after the company acquired its shares. It became one of the most stable small banks that it became an attractive target for acquisition by a much larger bank. The sale of this asset was concluded with the approval of the sale by the Monetary Board.

Following the successful sale of the Filipinas Plaza and in response to the growing need for affordable housing for Filipinos, SOC followed on through the real estate business by acquiring on May 26, 2010 a 2.4-hectare plot in Buli, Muntinlupa strategically located along the South Luzon Expressway.

The Board of Directors, in a special meeting held November 11, 2010, directed Management to cause the registration with the Securities and Exchange Commission of SOC Land Development Corporation (SOC Land) as a wholly-owned subsidiary of the issuer with an authorized capital stock of One Hundred Sixty Million Pesos (PHP 160,000,000.00), a subscribed capital stock of Forty Million Pesos (PHP 40,000,000.00) and a paid-up capital of Ten Million Pesos (PHP 10,000,000.00). The subsidiary will be the property development arm of the company, that will develop a 2.4-hectare community, called Anuva Residences (the Project), situated near Sucat Interchange. It will have four (4) tandem buildings. The total estimated cost of the Project is ₱2.0 billion.

The first tandem building of ANUVA RESIDENCES, the "ANALA", projects a Fun Zone image showcasing the Wet and Dry Play Area for children. The building was completed and delivered last May 16, 2015 during the turnover ceremony held on the same day.

Amenities facing Analá including the wading pool, children's playground, a fresco area, cascading water, pond and Trellis Park have been finished as of end 2016 for the residents' use and enjoyment as well as the parking slots in the lower ground floor for the residents to use.

The second tandem building known as AZALEA is currently in a preselling stage focusing on the Green Urban Living image with amenities like the reflecting pool, adult and kiddie pool, cascades, picnic groves, clubhouse, garden party and BBQ area.

SOC Land's latest project is a horizontal residential development, ALTHEA RESIDENCES. It is situated in Brgy. Zapote, Biñan City, Laguna and featuring modern homes with tranquil vibe spread in 4.3 hectares of land. While a number of house and lot units have been completed, additional construction of other house and lot units is ongoing. The construction of amenities that started in 3rd quarter 2016 is expected to be completed sometime first half of 2017.

SOC has identified other areas for potential investment which it is investigating. To address a growing population, now estimated at 100 million Filipinos and increasing every year, it looks at food production. The Company believes that a rising population coupled with rising incomes will drive greater protein consumption. Opportunities have been identified to get in this value chain to grow a long-term business that will allow expansion laterally and vertically.

The Company entered into an agreement with the Campong It Mapangarapan It Palawano (CAMPAL) to undertake agro-industrial development for a gross area of 6000 hectares. The National Commission for Indigenous Peoples (NCIP) handed over to the Company the Certificate of Pre-condition for the agreement last June 2016. The Company is completing the requisite documents and permits from the LGUs (Local Government Units) and the Palawan Council for Sustainable Development (PCSD) prior to start of operations for agro-industrial development with coffee as the initial undertaking.

The country needs both conventional and renewable energy resources to address its power requirements. SOC is investigating conventional and renewable energy resources, that can provide for base load power that is sustainable for the long term and therefore provide for a steady income stream for the company.

Principal products or services and their distribution; competition in the industry; sourcing of raw materials and principal suppliers; dependence on one or few customers; transactions with and/or related parties; and patents, trademarks, licenses, franchises, concessions, royalty agreement, or labor contracts are not applicable with the registrant at this time.

The Company's subsidiary is SOC Land Development Corporation as of March 31, 2017.

The Company does not expect any significant changes in its number of employees. Presently, the Company has a total of six (6) officers and employees, all working full-time, one (1) Chairman, one (1) Vice-President for Operations, one (1)

Vice-President for Finance, one (1) Chief Accountant, one (1) Accounting Assistant and one (1) Messenger. The Company has no Collective Bargaining Agreements (CBA).

## CONSOLIDATED RESULTS OF OPERATIONS

### Financial Highlights

(In PHP)

#### FOR THE PERIOD ENDED MARCH 31, 2017 & MARCH 31, 2016

ACCOUNTS	March 31, 2017	March 31, 2016	% CHANGE
REVENUES	13,183,334	42,843,253	-69.23%
COST AND EXPENSES	18,257,496	46,466,980	-60.71%
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>(5,074,162)</b>	<b>(3,623,727)</b>	<b>-40.03%</b>
PROVISION FOR INCOME TAX	1,459,093	321,482	353.86%
<b>NET INCOME/(LOSS)</b>	<b>(6,533,255)</b>	<b>(3,945,209)</b>	<b>-65.60%</b>
NET GAINS(LOSSES) ON AFS FINANCIAL ASSETS	(681,125)	4,681,688	-114.55%
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>	<b>(7,214,380)</b>	<b>736,479</b>	<b>-1079.58%</b>

#### 2017 VS 2016: RESULTS OF OPERATIONS

Revenue from sale of real estate recognized as of the 1st quarter of 2017 amounted to ₱6.8M, other income of ₱5.5M and interest income of ₱0.79M. 28% of the general and administrative (G&A) expense pertains to the personnel cost amounting to ₱2.8M, 15% of G&A are travel and transportation amounting to ₱1.5M and 13% of G&A pertains to taxes and licenses amounting to ₱1.3M. Bulk of the sales and marketing expenses pertains to Sales Commission of ₱1.5M and consultancy fees of ₱0.9M. The provision for income taxes of ₱1.4M and ₱0.32M pertains to taxes payable by the subsidiary, SOC Land. There was a decrease on the market value of the equity holdings of the parent company as of March 31, 2017.

The subsidiary, SOC Land registered a net loss of P 4.6 million and P2.6 million for the first three months of 2017 and 2016, respectively. Anala sales recognized for the first three months of 2017 amounts to P3.3 million and P36.7 for 2016. Most of the sold units in Anala have already been recognized in the previous years. Althea sales recognized for the same period of 2017 amounts to P3.00 million while no sales were recognized for 2016. Anala parking sales recognized for the same period in 2017 amounts to P0.48 million and no sales was recognized in 2016. Other income increased by 1.37% from P5.4 million in 2016 to P5.5 million in 2017. These consist of late payment penalties, forfeited payments, interest earned on in-house financing and interest earned on short term placements. General and administrative expense decreased by 45% from P12.9 million in 2016 to P7.1 million in 2017. The selling and marketing expense on the other hand increased by 65.4% from P2.4 million in 2016 to P3.9 million as at end of March 2017 due to the increase in number of sellers for both in-house and international sales group.

#### FOR THE PERIOD ENDED MARCH 31, 2016 & MARCH 30, 2015

ACCOUNTS	March 31, 2016	March 31, 2015	% CHANGE
REVENUES	42,843,253	2,370,834	1707.10%
COST AND EXPENSES	46,466,980	17,868,127	160.06%
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>(3,623,727)</b>	<b>(15,497,293)</b>	<b>76.62%</b>
PROVISION FOR INCOME TAX	321,482	120,491	166.81%
<b>NET INCOME/(LOSS)</b>	<b>(3,945,209)</b>	<b>(15,617,784)</b>	<b>74.74%</b>
NET GAINS(LOSSES) ON AFS FINANCIAL ASSETS	4,681,688	(1,347,344)	447.48%
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>	<b>736,479</b>	<b>(16,965,128)</b>	<b>104.34%</b>

## 2016 VS 2015: RESULTS OF OPERATIONS

Revenue from sale of real estate recognized for the 1<sup>st</sup> quarter 2016 was ₱36.7M plus other income of ₱5.45M consisting of late payment penalties, forfeited payments and interest earned on in-house financing. Bulk of the cost and expenses pertains to the personnel cost amounting to ₱2.9M, taxes and licenses amounting to ₱5.2M and property management expenses amounting to ₱1.9M. The provision of income taxes ₱0.32M and ₱0.12M pertains to taxes payable by the subsidiary, SOC Land. There has been a positive increment on the market value of the equity holdings of the parent company amounting to ₱4.6M as of March 31, 2016.

## CONSOLIDATED FINANCIAL POSITION

### Financial Highlights

(in PHP)

FOR THE PERIOD ENDED MARCH 31, 2017 & MARCH 31, 2016:

ACCOUNTS	March 31, 2017	March 31, 2016	% CHANGE
CURRENT ASSETS	1,582,796,670	1,632,240,816	-3.03%
NONCURRENT ASSETS	180,307,072	130,962,376	37.68%
<b>TOTAL ASSETS</b>	<b>1,763,103,742</b>	<b>1,763,203,192</b>	<b>-0.01%</b>
CURRENT LIABILITIES	119,558,340	146,147,790	-18.19%
NONCURRENT LIABILITIES	4,222,219	3,856,790	9.47%
<b>TOTAL LIABILITIES</b>	<b>123,780,559</b>	<b>150,004,580</b>	<b>-17.48%</b>
EQUITY	1,639,323,183	1,613,198,612	1.62%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,763,103,742</b>	<b>1,763,203,192</b>	<b>-0.01%</b>

## 2017 VS 2016: FINANCIAL CONDITION

The increase in noncurrent assets was brought about by the increase in the noncurrent receivable due to the net effect of the collection of account as the units were turned over and the recognition of sales for those units, the collection of down payment of which amounted to 20% of the total contract price. The slight decrease in the current assets was brought about by the 67% decrease in the Receivables-current due to collections and reclassification to noncurrent receivables. Real estate for sale increased by 0.46% or ₱4.97 million due to the payment of progress billing for Althea. Althea is the first house and lot project of SOC Land. It is located at Brgy. Zapote in Biñan City Laguna and near Biñan City Hall. Other current assets increased by ₱4.88 million due to the creditable taxes remitted on fully paid units and refundable deposits for office rental. Accounts payable and other current liabilities increased by ₱5.59 million due to recognition of obligation to contractors for the Althea amenities. Noncurrent liabilities increased due to the additional retirement cost recognized as of March 31, 2017. An increase of 1.62% in the equity of the group is due to the positive bottomline as of year ending December 31, 2016.

**CONSOLIDATED FINANCIAL POSITION**  
**Financial Highlights**  
**(in PHP)**

**FOR THE PERIOD ENDED MARCH 31, 2016 & MARCH 31, 2015:**

ACCOUNTS	March 31, 2016	March 31, 2015	% CHANGE
CURRENT ASSETS	1,632,240,816	1,828,320,412	-10.72%
NONCURRENT ASSETS	130,962,376	100,941,682	29.74%
<b>TOTAL ASSETS</b>	<b>1,763,203,191</b>	<b>1,929,262,094</b>	<b>-8.61%</b>
CURRENT LIABILITIES	146,147,790	313,373,606	-53.36%
NONCURRENT LIABILITIES	3,856,790	3,428,292	12.50%
<b>TOTAL LIABILITIES</b>	<b>150,004,579</b>	<b>316,801,898</b>	<b>-52.65%</b>
EQUITY	1,613,198,612	1,612,460,196	0.05%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,763,203,191</b>	<b>1,929,262,094</b>	<b>-8.61%</b>

**2016 VS 2015: FINANCIAL CONDITION**

The slight decrease in the current assets was brought about by the 20.78% decrease in the real estate for sale due to the recognition of the cost of units sold and payment of progress billing for Althea. Althea is the first house and lot project of SOC Land. It is located at Brgy. Zapote in Biñan City Laguna and near Biñan City Hall. The increase in noncurrent assets is attributable to the increase in the property and equipment by SOCLand for the cost they recognized on their leasehold improvements. The decrease in the current liabilities was due to payment to contractors for Anala Building and payment of accrued commission. The increment in the noncurrent liabilities was caused by the recognition of retirement payable. The slight increase in the total equity was due to the increase in the market value of the company's equity holdings and actuarial gain.

**KEY PERFORMANCE INDICATORS**

The following are the major financial ratios of the Company for the period ended March 31, 2017 and March 31, 2016.

	KEY FINANCIAL RATIOS	March 31, 2017	March 31, 2016
I.	<b>Current/Liquidity Ratios</b>	13.24 x	11.17 x
II.	<b>Solvency Ratio</b>	-4.94%	-1.61%
III.	<b>Debt-to-equity ratio (in x)</b>	0.0729 x	0.0906 x
IV.	<b>Asset to Equity Ratio</b>	1.0755 x	1.0930 x
V.	<b>Interest Rate Coverage Ratio</b>	N/A	N/A
VI.	<b>Profitability Ratio</b>		
	Return on Equity (ROE)	-0.40%	-0.24%
	Return on Assets (ROA)	-0.37%	-0.22%
VII.	<b>Other Relevant Ratios</b>		
	Revenue Growth/ (Decline)	-69.23%	1707.62%
	Net Income Growth/ (Decline)	-65.60%	74.74%
	EBITDA	(5,911,604)	(2,356,395)

The increase in cash and cash equivalents and slight decrease on the current liabilities had caused the current ratio of 11.17 to increase to 13.24 for the period ended March 31, 2017. The 81% decline in the recognized sale of real estate propels down the revenue growth for the current period March 31, 2017.



The manner by which the Company calculates the foregoing indicators is as follows:

Key Financial Ratios	Formula
Revenue growth	$(\text{Total Revenues (current period)} - \text{Total Revenues (prior period)}) / \text{Total Revenues (prior period)}$
Net income growth	$\text{Net Income (after tax) (current period)} / \text{Net income (prior period, after tax)}$
Solvency Ratio	$(\text{After Tax Net Income} + \text{Depreciation}) / \text{Total Liabilities}$
EBITDA	Income from operations plus depreciation and amortization
Asset to Equity Ratio	$\text{Total Assets} / \text{Total Equity}$
Return on equity (ROE)	$\text{Net income} / \text{Equity}$
Return on assets (ROA)	$\text{Net income} / \text{Total Assets}$
Current/Liquidity ratio	$\text{Current Assets} / \text{Current Liabilities}$
Debt-to-equity ratio	$\text{Total Liabilities} / \text{Equity}$

The Company has NO earnings yet from commercial production. Therefore, there were NO dividends declared for the period ended March 31, 2017.

There are no material trends, events or uncertainties that are reasonably expected to occur in the next interim period that will have a material favorable or unfavorable impact on the results of the Company's liquidity or sales.

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

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

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

The Company's cash requirement is provided by the management. There is no foreseen increase in funds for the next twelve months however the need should arise, the management will satisfy such cash requirements.

There is no expected purchase or sale of plant and significant equipment in the next twelve months.

For the period ended March 31, 2017, the Company still has no commercial production yet that will enable to support its dividend declaration. It has one wholly owned subsidiary, SOCLand Development Corporation.

The material changes for this year in comparison with the prior year-end based on line items in the comparative financial statements as of March 31, 2017, 2016 and 2015 are summarized as follows:

ACCOUNTS <i>In Millions</i>	For the Period March 31			% CHANGE	
	2017	2016	2015	2017 vs 2016	2016 vs 2015
<b>Statement of Financial Position</b>					
Cash & Cash Equivalents	365.10	308.09	260.15	18.51%	18.43%
Receivables	58.31	177.15	151.06	-67.09%	17.27%
Real estate inventories	1,087.09	1,083.24	1,367.33	0.36%	-20.78%
Due from Related Parties	0.19	0.18	0.16	7.03%	10.21%
Prepayments & Other Current Assets	72.10	63.59	49.62	13.39%	28.16%
Receivables - net of current portion	78.85	25.20	-	212.84%	100.00%
Available for Sale (AFS) financial assets	40.18	37.43	34.97	7.35%	7.04%
Property & Equipment	34.19	36.64	33.92	-6.67%	8.02%
Other noncurrent assets	27.09	31.70	32.06	-14.54%	-1.14%
Accounts Payable & other Liabilities	119.56	146.15	313.37	-18.19%	-53.36%
Retirement benefit obligation	4.22	3.76	3.43	12.37%	9.60%
Deferred Tax Liabilities	-	0.10	-	-100.00%	100.00%
Retained Earnings - Appropriated	745.00	500.00	500.00	49.00%	0.00%
Retained Earnings - Unappropriated	136.54	358.36	368.00	-61.90%	-2.62%
<b>Statement of Comprehensive Income</b>					
<b>REVENUES</b>					
Interest Income	0.79	0.65	0.06	22.74%	920.80%
Real estate sales	6.81	36.75	-	-81.47%	100.00%
Other income	5.53	5.45	2.3068	1.37%	136.28%
Foreign Exchange Gain	0.05	-	-	100.00%	-100.00%
<b>COST AND EXPENSES</b>					
Cost of real estate sales	4.42	29.12	-	-84.82%	100.00%
Sales and marketing expenses	3.96	2.40	5.56	65.44%	-56.90%
General and Administrative Expenses	9.87	14.83	12.31	-33.42%	20.51%
Provision for Income Tax	1.46	0.32	0.12	353.86%	166.81%
Foreign exchange losses	-	0.12	0.00	-100.00%	4670.72%
Net Gains/(Losses) on AFS Financial Assets	(0.68)	4.68	(1.35)	114.55%	-447.48%

#### Discussion for January - March 2017 vis-à-vis January - March 2016

##### *Cash & Cash Equivalents*

Cash and cash equivalents increased by 18.51% as of 1<sup>st</sup> quarter 2017 as compared to the same period last year due to the significant collections from the sale of real estate. There has been an increase in the cash collection of SOCLand for its real estate. The parent company earned interest income from its time deposit amounting to ₱0.77M.

##### *Receivable*

Receivable decreased by 67.09% brought about by the net effect of the collection of account as the units were already turned over and the recognition of sales for those units which have completed the 20% collection of down payment.

##### *Real Estate for Sale*

Increase in Real estate for sale was due to the payment of progress billing for Althea.

##### *Prepayments and Other Current Assets*

Other current assets increased due to the creditable taxes remitted on fully paid units and refundable deposits for office rental.

##### *Available for Sale investments*

Increment in market value of equity holdings.

##### *Property and equipment*

Decrease was due to depreciation.

#### *Accounts Payable and other liabilities*

Accounts payable and other current liabilities drop was due to the payment to contractors for Anala Building, payment of accrued commission and offset of unit owners' deposit against receivable upon take up of sale.

#### *Retirement Benefit obligation*

The group recognized additional amount for the retirement benefit of the employees.

#### *Sale of Real estate*

Anala sales recognized for the first three months of 2017 amounted to P3.3 million and P36.7 for same period 2016. Most of the sold units in Anala have already been recognized in the previous years. Althea sales recognized for the same period of 2017 amounted to P3.00 million while no sales were recognized for same period 2016. Anala parking sales recognized for the same period in 2017 amounted to P0.48 million and no sales were recognized in 2016.

#### *Other Income*

These are income from forfeited buyers' deposits and late payments penalties.

#### *Sales and marketing expense*

Bulk of the sales and marketing expenses pertains to Sales Commission of P1.5M and consultancy fees of P0.9M.

#### *General and Administrative expense*

28% of the general and administrative (G&A) expense pertains to the personnel cost amounting to P2.8M, 15% of G&A are travel and transportation amounting to P1.5M and 13% of G&A pertains to taxes and licenses amounting to P1.3M.

#### **Discussion for January - March 2016 vis-à-vis January - March 2015**

#### *Cash & Cash Equivalents*

Cash and cash equivalents increased by 18.43% as of 1st Quarter 2016 as compared to same period last year due to collections from sale of real estate. There has been an increase in the cash collection of SOCLand for its real estate sales as of March 31, 2016. There has been no major cash generating revenue for the parent company as of March 31, 2016 except for interest income from time deposit of P0.65M

#### *Receivable*

Due to the increase in the installment contract receivable.

#### *Real Estate for Sale*

Real estate for sale as of March 31, 2016 dropped up by 20.78% vis-avis for the period ending March 31, 2015 due to recognition of the cost of units sold and payment of progress billing for Althea.

#### *Due from Related Parties*

Increase was due to payments made by the parent company for the documentary stamp taxes on advances made to SOCLand.

#### *Prepayments and Other Current Assets*

Other current assets increased due to the creditable taxes remitted on fully paid units and refundable deposits for office rental.

#### *Available for Sale investments*

The market value of domestic shares of stocks increased during the period.

#### *Property and equipment*

In 2015, SOC Land recognized P4.6M leasehold improvement for their office.

#### *Net gains (losses) on Investments*

The company recognized P4.68M increased in market value of equity holdings.

#### *Accounts Payable and other liabilities*

Accounts payable and other current liabilities dropped due to payment to contractors for Anala Building and payment of accrued commission.

#### *Retirement Benefit obligation*

The group recognized additional amount for the retirement benefit of the employees.

#### *Sale of Real estate*

Anala sales recognized for the first quarter 2016 amounts to P36.74 million and nil for 2015.

#### *Other Income*

These are income from forfeited buyers' deposits and late payments penalties.

#### *Sales and marketing expense*

Bulk of the sales and marketing expenses pertains to Sales commission amounting to P0.71M and fees brochures and catalogs amounting to P0.31M.

#### *General and Administrative expense*

Bulk of general and administrative expense consists of Personnel costs P2.92M, Travel and transportation expense of P1.3M and Taxes and Licenses of P5.2M.

### **Results and Plans of Operation**

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#### **Real Estate: SOC Land**

ANUVA RESIDENCES is SOC Land's first vertical project located at Muntinlupa City and has completed its first tandem building project known as ANALA. Anala has sold 261 units which correspond to 51% of the total inventory of which 217 units have been turned over to end users. Out of this, 98 units are occupied with more than 188 people currently residing in the building.

AZALEA the second tandem building of ANUVA RESIDENCES is still in a pre-selling stage. The construction of amenities like swimming pool with pool deck, pocket garden, trellis canopy, perimeter landscaping, shower and foot bath with changing rooms has started last March 23, 2017, and expected to be completed on June 15, 2017. Azalea has sold 48 units which correspond to 10% of the total inventory.

ALTHEA RESIDENCES, SOC Land's horizontal project located at Brgy. Zapote Bifan City Laguna has sold a total of 108 units, a combination of lots and house & lots which correspond to 50% of the total inventory. Eleven (11) units have already constructed, and eight (8) of this have been turned over to end users. Out of this five (5) units are occupied and already residing in the subdivision. In addition, there are six (6) more units that are still being constructed and expected to be completed in July 2017. Amenities for this project have already been completed and ready such as the clubhouse, swimming pool & basketball court.

#### **Other Energy, Mineral and Resource Based Opportunities**

The Company believes in the thesis that rising incomes in the Asian region will drive greater protein and food consumption. The Company entered into an agreement with the Campong It Mapangarapan It Palawano (CAMPAL) to undertake agro-industrial development for an area of over 3000 hectares. The National Commission for Indigenous Peoples (NCIP) handed over to the Company the Certificate of Pre-condition for the agreement last June 2016. The Company is completing the requisite documents and permits from the LGUs (Local Government Units) and the Palawan Council for Sustainable Development (PCSD) prior to start of operations for agro-industrial development with coffee as the initial undertaking.

The global situation in recent years presents opportunities for the Company to seek entry into mineral exploration and exploitation sector.

The Company is in a favorable situation wherein its current cash position allows it to review other businesses wherein it may invest.

Agri-Business	\$3MM
Other Energy, Mineral & Resources Based Opportunities	\$ 200K for Assessment Studies

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## SIGNATURES

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



**SOCResources, Inc.**

*Issuer*

  
**Atty. Magilyn T. Loja**  
*Corporate Secretary*

Date : May 19, 2017

  
**Ronna C. De Leon**  
*Chief Accountant*

Date : May 19, 2017

**SOCRESOURCES, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**In PHP**

	March 31	December 31
	2017	2016
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	365,104,291	357,158,066
Receivables	58,305,925	75,635,832
Real estate inventories	1,087,090,014	1,082,121,596
Due from related parties	191,619	179,036
Prepayments and other current assets	72,104,821	68,390,280
<b>Total Current Assets</b>	<b>1,582,796,670</b>	<b>1,583,484,810</b>
<b>Noncurrent Assets</b>		
Receivables - net of current portion	78,848,862	78,848,862
Available-for-sale (AFS) financial assets	40,179,583	40,860,708
Property and equipment - net	34,190,384	34,682,617
Other noncurrent asset	27,088,243	27,088,243
<b>Total Noncurrent Assets</b>	<b>180,307,072</b>	<b>181,480,430</b>
<b>TOTAL ASSETS</b>	<b>1,763,103,742</b>	<b>1,764,965,240</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and other liabilities	119,558,340	114,205,459
<b>Total Current Liabilities</b>	<b>119,558,340</b>	<b>114,205,459</b>
<b>Retirement Benefit Obligation</b>	<b>4,222,219</b>	<b>4,222,219</b>
<b>Total Noncurrent Liabilities</b>	<b>4,222,219</b>	<b>4,222,219</b>
<b>Total Liabilities</b>	<b>123,780,559</b>	<b>118,427,678</b>
<b>EQUITY</b>		
<b>Common Stock - P1 par value</b>		
Authorized - 1 billion shares		
Issued 600,559,569 shares as of March 31,2017 and December 31,2016	600,559,569	600,559,569
Subscribed 306,000,000 shares as of March 31,2017 and December 31,2016 (net of subscription receivable of P229,500,000 as of March 31,2017 and Year end Dec 31,2016	76,500,000	76,500,000
Additional paid in capital	72,272,140	72,272,140
<b>Retained earnings:</b>		
Appropriated	745,000,000	745,000,000
Unappropriated	136,537,856	143,071,110
<b>Other comprehensive income:</b>		
Unrealized valuation gains on available for sale investments	13,031,411	13,712,536
Actuarial gains on defined benefit plan	383,857	383,857
Treasury stock	(4,961,650)	(4,961,650)
<b>Total Equity</b>	<b>1,639,323,183</b>	<b>1,646,537,562</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,763,103,742</b>	<b>1,764,965,240</b>

**SOCRESOURCES, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(IN PHP)**

	As of March 31	
	2017	2016
	(Unaudited)	(Unaudited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	365,104,291	308,088,654
Receivables	58,305,925	177,148,435
Real estate inventories	1,087,090,014	1,083,235,034
Due from related parties	191,619	179,036
Prepayments and other current assets	72,104,821	63,589,657
<b>Total Current Assets</b>	<b>1,582,796,670</b>	<b>1,632,240,816</b>
<b>Noncurrent Assets</b>		
Receivables - net of current portion	78,848,862	25,203,983
Available-for-sale (AFS) financial assets	40,179,583	37,427,590
Property and equipment - net	34,190,384	36,635,461
Other noncurrent asset	27,088,243	31,695,342
<b>Total Noncurrent Assets</b>	<b>180,307,072</b>	<b>130,962,376</b>
<b>TOTAL ASSETS</b>	<b>1,763,103,742</b>	<b>1,763,203,192</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other liabilities	119,558,340	146,147,790
<b>Total Current Liabilities</b>	<b>119,558,340</b>	<b>146,147,790</b>
Deferred tax liabilities	-	99,239
Retirement Benefit Obligation	4,222,219	3,757,551
<b>Total Noncurrent Liabilities</b>	<b>4,222,219</b>	<b>3,856,790</b>
<b>Total Liabilities</b>	<b>123,780,559</b>	<b>150,004,580</b>
<b>EQUITY</b>		
Common Stock - P1 par value		
Authorized - 1 billion shares		
Issued 600,559,569 shares as of March 31,2017 and March 31,2016	600,559,569	600,559,569
Subscribed 306,000,000 shares as of March 31,2017 and March 31,2016 (net of subscription receivable of P229,500,000 as of March 31,2017 and March 31,2016	76,500,000	76,500,000
Additional paid in capital	72,272,140	72,272,140
Retained earnings:		
Appropriated	745,000,000	500,000,000
Unappropriated	136,537,856	358,361,042
Other comprehensive income:		
Unrealized valuation gains on available for sale investments	13,031,411	10,279,418
Actuarial gains on defined benefit plan	383,857	188,093
Treasury stock	(4,961,650)	(4,961,650)
<b>Total Equity</b>	<b>1,639,323,183</b>	<b>1,613,198,612</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,763,103,742</b>	<b>1,763,203,192</b>

**SOCRESOURCES, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**IN PHP**

	March 31	December 31
	2017	2016
	(Unaudited)	(Audited)
<b>REVENUES</b>		
Real estate sales	6,810,696	156,770,447
Foreign exchange gains	54,320	328,198
Interest income	793,177	13,195,736
Dividend Income	-	343,869
Other Income	5,525,141	40,869,226
	<b>13,183,334</b>	<b>211,507,476</b>
<b>COSTS AND EXPENSES</b>		
Cost of real estate sales	4,420,656	113,657,657
Sales and marketing expenses	3,963,733	14,340,893
General and administrative expenses	9,873,107	56,370,938
	<b>18,257,496</b>	<b>184,369,488</b>
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>(5,074,162)</b>	<b>27,137,988</b>
<b>PROVISION FOR INCOME TAX</b>	<b>1,459,093</b>	<b>1,373,128</b>
<b>NET INCOME (LOSS)</b>	<b>(6,533,255)</b>	<b>25,764,860</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
<i>Other comprehensive income (loss) to be reclassified to profit (loss) in subsequent periods:</i>		
Net gains (losses) on AFS financial assets	(681,125)	8,114,806
<i>Other comprehensive income (loss) not to be reclassified to profit (loss) in subsequent periods:</i>		
Actuarial gains (losses) on defined benefit plan	-	195,764
	<b>(681,125)</b>	<b>8,310,570</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>(7,214,380)</b>	<b>34,075,430</b>
 Basic/Diluted Income (Loss) Per Share	 (0.0072)	 0.0284
 * Computed as =	 Net income(loss) for the period	 25,764,860
	Weighted average number of shares	906,559,569
	<b>(6,533,255)</b>	<b>906,559,569</b>



**SOCRESOURCES, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**IN PHP**

	<b>As of March 31</b>	
	<b>2017</b>	<b>2016</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>REVENUES</b>		
Real estate sales	6,810,696	36,746,360
Foreign exchange gains	54,320	
Interest income	793,177	646,230
Other Income	5,525,141	5,450,663
	<b>13,183,334</b>	<b>42,843,253</b>
<b>COSTS AND EXPENSES</b>		
Cost of real estate sales	4,420,656	29,119,305
Sales and marketing expenses	3,963,733	2,395,888
General and administrative expenses	9,873,107	14,829,847
Foreign exchange losses	-	121,940
	<b>18,257,496</b>	<b>46,466,980</b>
<b>INCOME (LOSS) BEFORE INCOME TAX</b>	<b>(5,074,162)</b>	<b>(3,623,727)</b>
<b>PROVISION FOR INCOME TAX</b>	<b>1,459,093</b>	<b>321,482</b>
<b>NET INCOME (LOSS)</b>	<b>(6,533,255)</b>	<b>(3,945,209)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
<i>Other comprehensive income (loss) to be reclassified to profit (loss) in subsequent periods:</i>		
Net gains (losses) on AFS financial assets	(681,125)	4,681,688
	<b>(681,125)</b>	<b>4,681,688</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>(7,214,380)</b>	<b>736,479</b>
Basic/Diluted Income (Loss) Per Share	<b>(0.0072)</b>	<b>(0.0044)</b>
<b>* Computed as</b>	<b>=</b>	
Net income(loss) for the period	<b>(6,533,255)</b>	<b>(3,945,209)</b>
Weighted average number of shares	<b>906,559,569</b>	<b>906,559,569</b>

**SOCRESOURCES, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**IN PHP**

	As of March 31		December 31
	2017	2016	2016
	(Unaudited)	(Unaudited)	(Audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income (loss) before income tax	(5,074,162)	(3,623,727)	27,137,988
Adjustments for:			
Retirement Benefit Expense	-	-	561,193
Depreciation and amortization	621,651	1,588,814	2,685,275
Unrealized foreign exchange losses (gains)	(54,320)	121,940	(328,198)
Interest income	(793,177)	(674,130)	(13,195,736)
Dividend Income	-	-	(343,869)
Gain on repossession	-	-	(15,398,166)
Operating loss before working capital changes	(5,300,008)	(2,587,103)	1,118,487
Changes in Assets and Liabilities:			
Receivables	17,430,411	213,179	48,007,271
Due from Related Parties	-	-	(12,584)
Real Estate for Sale	(4,968,418)	28,048,592	44,560,196
Prepayments and other current assets	(3,714,541)	(9,118,352)	(9,306,128)
Accounts Payable & Accrued Expenses	5,352,881	(6,583,443)	(38,210,043)
Cash flows generated from (used in) operations	8,800,325	9,972,872	46,157,199
Interest received	692,674	579,264	13,174,504
Income tax paid	(1,459,093)	-	(1,373,128)
Net cash flows from (used in) in operating activities	8,033,906	10,552,136	57,958,575
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisitions:			
Property and equipment	(129,418)	(1,137,512)	(281,129)
Decreases (Increases) in:			
Advances to Related Parties	(12,584)	(12,584)	
Dividend Received	-	-	343,869
Net cash flows from (used in) investing activities	(142,002)	(1,150,096)	62,740
<b>CASH FLOWS FROM A FINANCING ACTIVITY</b>			
Collection of subscriptions receivable	-	-	-
Net cash flows from (used in) Financing activities	-	-	-
<b>EFFECT OF EXCHANGE RATE CHANGES</b>			
<b>ON CASH AND CASH EQUIVALENTS</b>	54,320	(121,940)	328,198
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	7,946,224	9,280,101	58,349,513
<b>CASH AND CASH EQUIVALENTS AT</b>			
<b>BEGINNING OF YEAR</b>	357,158,067	298,808,553	298,808,553
<b>CASH AND CASH EQUIVALENTS AT</b>			
<b>END OF YEAR</b>	365,104,291	308,088,654	357,158,066

**SOCRESOURCES, INC. AND SUBSIDIARY**
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
IN PHP**

	Common Stock Issued	Common Stock Subscribed - Net	Additional Paid-In Capital	Retained Earnings		Unrealized Valuation Gains/(Loss) on AFS Financial Assets	Actuarial gains (losses) on defined benefit plan	Treasury Shares	TOTAL
				Appropriated	Unappropriated				
Balances at January 01,2016	600,559,569	76,500,000	72,272,140	500,000,000	362,306,251	5,597,730	188,093	(4,961,650)	1,612,462,133
Collections of Subscription Receivable									-
Issuance of Common Stock									-
Acquisition of Treasury Shares									-
Total Comprehensive Income 1stQ 2016					(3,945,209)	4,681,688			736,479
Balances at March 31,2016	600,559,569	76,500,000	72,272,140	500,000,000	358,361,042	10,279,418	188,093	(4,961,650)	1,613,198,612
Balances at January 01,2017	600,559,569	76,500,000	72,272,140	745,000,000	143,071,110	13,712,536	383,857	(4,961,650)	1,646,537,562
Collections of Subscription Receivable									-
Issuance of Common Stock									-
Acquisition of Treasury Shares									-
Total Comprehensive Income 1stQ 2017					(6,533,254)	(681,125)			(7,214,379)
Balances at March 31,2017	600,559,569	76,500,000	72,272,140	745,000,000	136,537,856	13,031,411	383,857	(4,961,650)	1,639,323,183

**SOCRESOURCES, INC. AND SUBSIDIARY**

Schedule 3: Other long term investments and other Investments

Available for Sale Financial Assets

As of March 31, 2017

In Philippine Peso unless stated

Name of Issuing Entity & Description of Investment	Number of Shares or Principal Amount of Bonds & Notes	Value Based on Market Quotations at the end of Reporting Period	Dividends, Interest Received from Investments not accounted for by the equity Method
<b>Investment in Shares of Stocks</b>			
<i>Listed - Domestic</i>			
Aboitiz Equity Ventures, Inc.	7,800	580,710	
Lepanto Consolidated Mining Company "A"	2,078,000	376,118	
Manila Mining Corporation "A"	26,480,000	291,280	
Manila Water Company, Inc.	265,000	8,162,000	
Petron	1,147,500	10,109,475	
		<b>19,519,583</b>	-
<i>Not Listed - Domestic</i>			
Wackwack Golf & Country Club	1	20,500,000	
Southwest Resources, Inc.		3,333,500	
Mt. Malarayat Golf & Country Club	1	160,000	
		23,993,500	
Allowance for Impairment on AFS - Unlisted		(3,333,500)	
		<b>20,660,000</b>	
<b>TOTAL AVAILABLE FOR SALE FINANCIAL ASSETS</b>		<b>40,179,583</b>	

**SOCResources, Inc. and Subsidiary****Schedule 4: Aging of Consolidated Accounts Receivable**

As of March 31, 2017

	CURRENT					PAST DUE			Past due accounts & Items in Litigation
	Total	1 Month	2-3 Mos.	4-6 Mos.	7 Mos. To 1 Year	1-2 Years	3-5 Years	5 Years - Above	
Accounts Receivable									
1 Installment Contract Receivable	98,855,955	98,202,150	470,936	182,869	-	-	-	-	
2 Advances to Suppliers & Contractors	6,125,185	170,693	7,500	-	859,369	5,087,623	-	-	
3 Officers and employees	20,253,429	1,140,516	101,366	11,547	15,000,000	-	-	4,000,000	
4 IGC Securities, Inc.	-	-	-	-	-	-	-	-	
5 SSS	8,400	-	-	-	-	-	-	8,400	
6 Unit Owners	8,554,870	8,554,870	-	-	-	-	-	-	
7 Others	3,548,566	147,745	2,530,997	261,031	239,930	230,075	40,426	98,362	
Subtotal	137,346,406	108,215,975	3,110,799	455,447	16,099,299	5,317,698	40,426	4,106,762	
Less: Allow. For Impairment losses on receivables	-	-	-	-	-	-	-	-	-
A/R - net	137,346,406	108,215,975	3,110,799	455,447	16,099,299	5,317,698	40,426	4,106,762	NONE
Net Receivables	137,346,406	108,215,975	3,110,799	455,447	16,099,299	5,317,698	40,426	-	NONE

*Notes: If the Company's collection period does not match with the above schedule and revision is necessary to make the schedule not misleading,  
the proposed collection period in this schedule may be changed to appropriately reflect the Company's actual collection period.*

**SOCRESOURCES, INC. AND SUBSIDIARY**

Schedule 5: Amounts Receivable from Related Parties which are eliminated during the consolidation of Financial Statements

As of March 31, 2017

		<b>Beginning Balance</b>	<b>Additions</b>	<b>Ending Balance</b>
		<b>December 31, 2016</b>		<b>March 31, 2017</b>
SOC Land Development, Corp.		1,235,877,150	(109,524,156)	1,126,352,994

**SOCRESOURCES, INC. AND SUBSIDIARY**  
**Schedule 7: Key Performance Indicator**

	<b>KEY FINANCIAL RATIOS</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
<b>I.</b>	<b>Current/Liquidity Ratios</b>	13.24 x	11.17 x
<b>II.</b>	<b>Solvency Ratio</b>	-4.94%	-1.61%
<b>III.</b>	<b>Debt-to-equity ratio (in x)</b>	0.0729 x	0.0906 x
<b>IV.</b>	<b>Asset to Equity Ratio</b>	1.0755 x	1.0930 x
<b>V.</b>	<b>Interest Rate Coverage Ratio</b>	N/A	N/A
<b>VI.</b>	<b>Profitability Ratio</b>		
	Return on Equity (ROE)	-0.40%	-0.24%
	Return on Assets (ROA)	-0.37%	-0.22%
<b>VII.</b>	<b>Other Relevant Ratios</b>		
	Revenue Growth/ (Decline)	-69.23%	1707.62%
	Net Income Growth/ (Decline)	-65.60%	74.74%
	EBITDA	(5,911,604)	(2,356,395)

**SOCRESOURCES, INC. AND SUBSIDIARY**

Schedule 8: Map of the Relationships of the Companies within the Group

As of March 31, 2017 and March 31, 2016

