

For BIR BCS/ Use Only Item:		Republic of the Philippines Department of Finance Bureau of Internal Revenue			
BIR Form No. 1702-RT January 2018(ENCS) Page 1		Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate <i>Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X". Two copies MUST be filed with the BIR and one held by the taxpayers.</i>		 1702-RT 01/18ENCS P1	
1 For ☒ Calendar ☐ Fiscal 2 Year Ended (MM/DD/YY) 12 - December 20 24		3 Amended Return? ☐ Yes ☒ No		4 Short Period Return ☐ Yes ☒ No	
		5 Alphanumeric Tax Code (ATC) IC 055-Minimum Corporate Income Tax(MCIT) ☐ IC010 - CORPORATION IN GENERAL - JAN 1, 2009 ☒			
Part I - Background Information					
6 Tax Identification Number (TIN) 664 - 251 - 431 - 00000		7 RDO Code 028			
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) PASSIVHAUS PHILIPPINES INC					
9 Registered Address (Indicate complete address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1905) UNIT 313 NATIONAL ENGINEERING CENTER UNIVERSITY OF THE PHILIPPINES UP VILLAGE DILIMAN QUEZON CITY					
10 Date of Incorporation/Organization (MM/DD/YYYY) 11/04/2024		11 Contact Number 77945332			
12 Email Address baats2010@gmail.com					
13 Method of Deductions ☒ Itemized Deductions [Section 34 (A-J), NIRC] ☐ Optional Standard Deduction (OSD) - 40% of Gross Income [Section 34(L), NIRC as amended]					
Part II - Total Tax Payable (Do NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)					
14 Tax Due		0			
15 Less: Total Tax Credits/Payments		0			
16 Net Tax Payable (Overpayment) (Item 14 Less Item 15)		0			
Add: Penalties					
17 Surcharge		0			
18 Interest		0			
19 Compromise		0			
20 Total Penalties (Sum of Items 17 to 19)		0			
21 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Items 16 and 20)		0			
If Overpayment, mark one(1) box only (Once the choice is made, the same is irrevocable) ☐ To be refunded ☐ To be issued a Tax Credit Certificate (TCC) ☐ To be carried over as a tax credit for next year/quarter					
We declare under the penalties of perjury that this return, and all its attachments, have been made in good faith, verified by us, and to the best of our knowledge and belief, are true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If signed by an Authorized Representative, indicate TIN and attach authorization letter)					
Signature over Printed Name of President/Principal Officer/Authorized Representative		Signature over Printed Name of Treasurer/Assistant Treasurer		22 Number of Attachments 000	
Title of Signatory		TIN		Title of Signatory	
TIN		TIN			
Part III - Details of Payment					
Particulars	Drawee Bank/ Agency	Number	Date(MM/DD/YYYY)	Amount	
23 Cash/Bank Debit Memo				0	
24 Check				0	
25 Tax Debit Memo				0	
26 Others(Specify Below)				0	
Machine Validation/Revenue Official Receipt Details [if not filed with an Authorized Agent Bank (AAB)]					
			Stamp of Receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)		

BIR Form No. 1702-RT January 2018(ENCS) Page 2	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P2
Taxpayer Identification Number(TIN) 664 251 431 00000		Registered Name PASSIVHAUS PHILIPPINES INC
Part IV - Computation of Tax (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)		
27 Sales/Revenues/Receipts/Fees		0
28 Less: Sales Returns, Allowances and Discounts		0
29 Net Sales/Revenues/Receipts/Fees (Item 27 Less Item 28)		0
30 Less: Cost of Sales/Services		0
31 Gross Income from Operation (Item 29 less Item 30)		0
32 Add: Other Taxable Income Not Subjected to Final tax		0
33 Total Taxable Income (Sum of Items 31 and 32)		0
Less: Deductions Allowable under Existing Law		
34 Ordinary Allowable Itemized Deductions		47,841
35 Special Allowable Itemized Deductions		0
36 NOLCO (Only for those taxable under Sec. 27(A to C); Sec. 28(A)(1)(A)(6)(b) of Tax code, as amended)		0
37 Total Deductions (Sum of Items 34 to 36)		47,841
OR [in case taxable under Sec 27(A) & 28(A)(1)]		
38 Optional Standard Deduction (OSD) (40% of Item 33)		0
39 Net Taxable Income/(Loss) <i>if itemized: Item 33 Less Item 37; if OSD: Item 33 Less Item 38</i>		(47,841)
40 Applicable Income Tax Rate		20 %
41 Income Tax Due other than Minimum Corporate Income Tax(MCIT) (Item 39 x Item 40)		0
42 MCIT Due (2% of Item 33)		0
43 Tax Due (Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher)		0
Less: Tax Credits/Payments(attach proof)		
44 Prior Year's Excess Credits Other Than MCIT		0
45 Income Tax Payment under MCIT from Previous Quarter/s		0
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s		0
47 Excess MCIT Applied this Current Taxable Year		0
48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307		0
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter		0
50 Foreign Tax Credits, if applicable		0
51 Tax Paid in Return Previously Filed, if this is an Amended Return		0
52 Special Tax Credits		0
Other Credits/Payments (Specify)		
53		0
54		0
55 Total Tax Credits/Payments (Sum of Items 44 to 54)		0
56 Net Tax Payable (Overpayment) (Item 43 Less Item 55)		0
Part V - Tax Relief Availment		
57 Special Allowable Itemized Deductions (Item 35 of Part IV x Applicable Income Tax Rate)		0
58 Add: Special Tax Credits		0
59 Total Tax Relief Availment (Sum of Items 57 & 58)		0

BIR Form No. 1702-RT January 2018(ENCS) Page 3	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P3
Taxpayer Identification Number(TIN) 664 251 431 00000		Registered Name PASSIVHAUS PHILIPPINES INC
Part VI - Schedules (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)		
Schedule I - Ordinary Allowable Itemized Deductions (Attach additional sheet/s if necessary)		
1 Amortization		0
2 Bad Debts		0
3 Charitable and Other Contributions		0
4 Depletion		0
5 Depreciation		0
6 Entertainment, Amusement and Recreation		0
7 Fringe Benefits		0
8 Interest		0
9 Losses		0
10 Pension Trusts		0
11 Rental		0
12 Research and Development		0
13 Salaries, Wages and Allowances		0
14 SSS, GSIS, Philhealth, HDMF and Other Contributions		0
15 Taxes and Licenses		3,235
16 Transportation and Travel		0
17 Others(Deductions Subject to Withholding Tax and Other Expenses) (Specify below; Add additional sheet(s), if necessary)		
a Janitorial and Messengerial Services		0
b Professional Fees		0
c Security Services		0
d ORGANIZATION EXPENSE		20,000
e OFFICE SUPPLIES		5,627
f MEMBERSHIP FEES		18,979
g		0
h		0
i		0
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17i)		47,841
Schedule II - Special Allowable Itemized Deductions (Attach additional sheet/s, if necessary)		
Description	Legal Basis	Amount
1		0
2		0
3		0
4		0
5 Total Special Allowable Itemized Deductions (Sum of Items 1 to 4)		0

BIR Form No. 1702-RT January 2018(ENCS) Page 4		Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate		 1702-RT 01/18ENCS P4	
Taxpayer Identification Number(TIN)			Registered Name		
664 251 431 00000			PASSIVHAUS PHILIPPINES INC		

Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)

1	Gross Income	0
2	Less: Ordinary Allowable Itemized Deductions	47,841
3	Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 7A)	(47,841)

Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO)

(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Year Incurred	Net Operating Loss A) Amount	B) NOLCO Applied Previous Year/s
4 2024	47,841	0
5	0	0
6	0	0
7	0	0

 Continuation of Schedule IIIA (Item numbers continue from table above)

C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) [E = A Less (B + C + D)]
4 0	0	47,841
5 0	0	0
6 0	0	0
7 0	0	0
8 Total NOLCO (Sum of Items 4D to 7D)	0	

Schedule IV - Computation of Minimum corporate Income Tax(MCIT)

Year	A) Normal Income Tax as Adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1	0	0	0
2	0	0	0
3	0	0	0

 Continuation of Schedule IV (Item numbers continue from table above)

D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [G = C Less (D + E + F)]
1 0	0	0	0
2 0	0	0	0
3 0	0	0	0
4 Total Excess MCIT Applied (Sum of Items 1F to 3F)		0	

Schedule V - Reconciliation of Net Income per Books Against Taxable Income (Attach additional sheet/s, if necessary)

1	Net Income/(Loss) per Books	(47,841)
Add: Non-deductible Expenses/Taxable Other Income		
2		0
3		0
4	Total (Sum of Items 1 to 3)	(47,841)
Less: A) Non-Taxable Income and Income Subjected to Final Tax		
5		0
6		0
B) Special Deductions		
7		0
8		0
9	Total (Sum of Items 5 to 8)	0
10	Net taxable Income (Loss) (Item 4 Less Item 9)	(47,841)

Tax Return Receipt Confirmation

ebirforms-noreply@bir.gov.ph <ebirforms-noreply@bir.gov.ph>
To: baats2010@gmail.com

Thu, Apr 10, 2025 at 2:26 PM

This confirms receipt of your submission with the following details subject to validation by BIR:

File name: 664251431000-1702RTv2018C-122024.xml

Date received by BIR: 10 April 2025

Time received by BIR: 02:06 PM

Penalties may be imposed for any violation of the provisions of the NIRC and issuances thereof.

FOR RETURNS WITH TAX PAYABLE:

Please pay through any of the following ePayment Channels:

Land Bank of the Philippines Link.BizPortal

- LBP ATM Cards
- Bancnet ATM/Debit Cards
- PCHC PayGate or PESONet (RCBC, Robinsons Bank, UnionBank, PSBank, BPI, Asia United Bank)

DBP PayTax Online

- Credit Cards (MasterCard/Visa)
- Bancnet ATM/Debit Cards

Unionbank of the Philippines

- Unionbank Online (for Unionbank Individual and Corporate Account Holders)
- UPAY via InstaPay (For Individual Non-Unionbank Account Holders)

Taxpayer Agent/ Tax Software Provider-TSP

- (Gcash/PayMaya/MyEG)

This is a system-generated email. Please do not reply.

Bureau of Internal Revenue



SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph



The following document has been received:

Receiving: ICTD ERMD

Receipt Date and Time: May 29, 2025 10:36:21 AM

Company Information

SEC Registration No.: 2024110175407-01

Company Name: Passivhaus Philippines Inc.

Industry Classification:

Company Type:

Document Information

Document ID: OST10529202583426644

Document Type: Financial Statement

Document Code: FS

Period Covered: December 31, 2024

Submission Type: Annual

Remarks: None

Acceptance of this document is subject to review of forms and contents

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

C	S	2	0	1	8	1	1	7	3	8
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C	F	R	D
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COMPANY INFORMATION

info@passivhausph.org

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DEC 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

NORMAN ACERON GARCIA

info@passivhausph.org

UNIT 313 NATIONAL ENGINEERING CENTER UNIVERSITY OF THE PHILIPPINES UP VILLAGE DILIMAN QUEZON CITY

Note: 1.) In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2.) All Boxes must be properly and completely filled up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and / or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of the **PASSIVHAUS PHILIPPINES INC** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the reporting period ended **December 31, 2024**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

DIVINE LOVE BOTE-BASILIO, the independent auditor appointed by the Board of Directors, have audited the financial statements of the **PASSIVHAUS PHILIPPINES INC** in accordance with Philippine Standards on Auditing, and in its report to the Members has expressed her opinion on the fairness of presentation upon completion of such audit.



NORMAN A. GARCIA

President



JOHN HOWARD A. GARCIA

Treasurer

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR
ANNUAL INCOME TAX RETURN**

The Management of **PASSIVHAUS PHILIPPINES INC** is responsible for all information and representations contained in the **Annual Income Tax Return** for the year ended **December 31, 2024**. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited to, the value added tax returns, withholding tax returns, documentary tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended **December 31, 2024** and the accompanying Annual Income Tax Return are in accordance with the books and records of **PASSIVHAUS PHILIPPINES INC** complete and correct in all material respects. Management likewise affirms that:

- (a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- (b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the company's books and records in accordance with the requirements of Revenue Regulation No. 8-2007 and other relevant issuances;
- (c) **PASSIVHAUS PHILIPPINES INC** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

Signed by the following:



NORMAN A. GARCIA
President



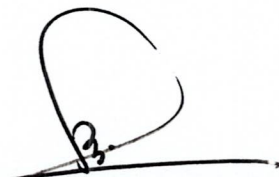
JOHN HOWARD A. GARCIA
Treasurer

TO THE SECURITIES AND EXCHANGE COMMISSION

In connection with my examination of the financial statements of **PASSIVHAUS PHILIPPINES INC.**, which are to be submitted to the Commission, I hereby represent the following:

1. That I am in the active practice of the accounting profession and duly registered with the Board of Accountancy (BOA);
2. That Financial Statements are presented in conformity with Philippine Financial Reporting Standards (PFRS) for Small Entities in all cases where I shall express an unqualified opinion. Except that in case of any departure from such principles, I shall indicate the nature of departure, the effects thereof, and the reasons why compliance with the principles would result in a misleading statement, if such a fact;
3. That I shall fully meet the requirements of independence as provided under the Code of Professional ethics for CPA's;
4. That in the conduct of the audit, I shall comply with the generally auditing standards, promulgated by the Board of Accountancy; in case of my departure from such standards or an limitation in the scope of my examination. I shall indicate the nature of the departure and the extend of the limitation, the reasons thereof and the effects thereof on the expression of my opinion or which may necessitate the negation of the expression of an opinion;
5. That I shall comply with the applicable rules and regulations of the Securities and Exchange Commission in the preparation and submission of financial statements; and
6. That relative to the expression of my opinion on the said financial statements, I shall not commit any act discreditable to the profession as provided under Code of Professional Ethics of CPA's.

As a CPA engaged in public practice, I make these representations in my individual capacity.



DIVINE LOVE BOTE-BASILIO

PRC-BOA Registration No. 127080 valid until May 10, 2027

BOA Accreditation No. : 5346, valid until May 31, 2026

BIR Accreditation No.: 07-0001336-002-2021, valid until February 21, 2027

Tax Identification No.: 200-618-570-000

PTR No. 7217703 issued at Quezon City on January 31, 2025

April 10, 2025
Quezon City

**REPORT OF INDEPENDENT AUDITOR
TO ACCOMPANY INCOME TAX RETURNS**

The Board of Directors and Shareholders of
PASSIVHAUS PHILIPPINES INC
Unit 313 National Engineering Center
University Of The Philippines Up Village
Diliman Quezon City

I have audited the financial statements of **PASSIVHAUS PHILIPPINES INC** for the year ended December 31, 2024 on which I rendered the attached report dated April 10, 2025.

In compliance with Revenue Regulations V-20, I am stating the following:

- 1.) The taxes paid or accrued by the above company for the year ended December 31, 2024 are disclosed in the financial statements.
- 2.) The required additional disclosure requirements on certain schedules are presented in the last notes of the financial statements
- 3.) I have no any relation by consanguinity or affinity to the president or manager or principal shareholders of **PASSIVHAUS PHILIPPINES INC**



DIVINE LOVE BOTE-BASILIO

PRC-BOA Registration No. 127080 valid until May 10, 2027

BOA Accreditation No. : 5346, valid until May 31, 2026

BIR Accreditation No.: 07-0001336-002-2021, valid until February 21, 2027

Tax Identification No.: 200-618-570-000

PTR No. 7217703 issued at Quezon City on January 31, 2025

DIVINE LOVE BOTE - BASILIO, CPA

BOA Accredited
BIR Accredited
PICPA MEMBER

1052 Quirino Highway, Brgy. Sta. Monica,
Novaliches Quezon City

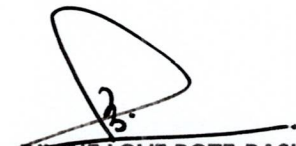
Contact No. +632- 7794-5332
Emailadd : baats2010@gmail.com

SUPPLEMENTAL WRITTEN STATEMENT

The Board of Directors and Shareholders of
PASSIVHAUS PHILIPPINES INC
Unit 313 National Engineering Center
University Of the Philippines Up Village
Diliman Quezon City

I have examined the financial statements of **PASSIVHAUS PHILIPPINES INC** for the year ended December 31, 2024, on which I rendered the attached report dated April 10, 2025.

In compliance with SRC Rule 68, I am stating that the said company has a total number of Zero (0) stockholder owning one hundred (100) or more shares each.



DIVINE LOVE BOTE-BASILIO

PRC-BOA Registration No. 127080 valid until May 10, 2027

BOA Accreditation No. : 5346, valid until May 31, 2026

BIR Accreditation No.: 07-0001336-002-2021, valid until February 21, 2027

Tax Identification No.: 200-618-570-000

PTR No. 5633053 issued at Quezon City on January 23, 2024

REPORT OF INDEPENDENT AUDITOR

To the Board of Trustees and Members of
PASSIVHAUS PHILIPPINES INC
Unit 313 National Engineering Center
University Of the Philippines Up Village
Diliman Quezon City

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of **PASSIVHAUS PHILIPPINES INC** which comprise the statement of financial position as at **December 31, 2024**, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **PASSIVHAUS PHILIPPINES INC** as at **December 31, 2024**, and of its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRS) for Small Entities.

Basis For Opinion

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

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

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

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

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

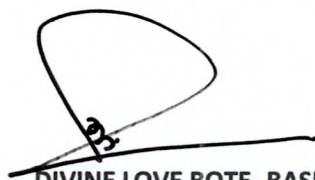
As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

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

Report on the Supplementary Information Required Under Revenue Regulations 15-2010

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties and license fees in Note 7 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as whole.



DIVINE LOVE BOTE- BASILIO

PRC-BOA Registration No. 127080 valid until May 10, 2027

BOA Accreditation No. : 5346, valid until May 31, 2026

BIR Accreditation No.: 07-0001336-002-2021, valid until February 21, 2027

Tax Identification No.: 200-618-570-000

PTR No. 7217703 issued at Quezon City on January 31, 2025

April 10, 2025

Quezon City

PASSIVHAUS PHILIPPINES, INC.**STATEMENT OF FINANCIAL POSITION**

In Philippine Peso

		As at December 31
	Notes	2024
ASSETS		
Current Assets		
Cash on and in bank	3.	-
Receivable from Members		50,000
Total Current Assets		50,000
TOTAL ASSETS		50,000
LIABILITIES		
Advances from Members	4.	47,841
Total Liabilities		47,841
MEMBERS' EQUITY		
Members' Contribution		50,000
Retained Earnings (Deficit)		(47,841)
Total Shareholders' Equity		2,159
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		50,000

See accompanying Notes to Financial Statements

PASSIVHAUS PHILIPPINES, INC.**STATEMENT OF COMPREHENSIVE INCOME****In Philippine Peso**

		Year ended December 31
	Notes	2024
Revenues		-
Cost of services		-
Gross profit		-
Operating expenses	11	47,841
Profit before income tax		(47,841)
Income tax expense	12	-
Profit after income tax		(47,841)

See accompanying Notes to Financial Statements

PASSIVHAUS PHILIPPINES, INC.**STATEMENT OF CHANGES IN MEMBERS' EQUITY**

In Philippine Peso

	Year ended December
	31
	2024
Members' Contribution	50,000
<i>Retained Earnings (Deficit)</i>	
Beginning	-
Net profit after income tax	(47,841)
<i>Retained Earnings (Deficit), end</i>	(47,841)
Members' Equity Balance, End	2,159

PASSIVHAUS PHILIPPINES, INC.**STATEMENT OF CASH FLOWS**

In Philippine Peso

	Year ended December 31
	2024
CASH FLOWS FROM OPERATING ACTIVITIES	
Net profit before income tax	(47,841)
Adjustments for:	
Depreciation	-
Operating cash flow before working capital changes	(47,841)
<i>(Increase) Decrease in Assets</i>	
Receivable from Members	(50,000)
Net cash generated by Operating Activities	(97,841)
CASH FLOWS FROM INVESTING ACTIVITIES	
	-
Net cash generated by Investing Activities	-
CASH FLOWS FROM FINANCING ACTIVITIES	
Members' Contribution	50,000
Advances from Members	47,841
Net cash used in Financing Activities	97,841
NET INCREASE (DECREASE) IN CASH	-
CASH BALANCE, BEGINNING	-
CASH BALANCE, END	-

PASSIVHAUS PHILIPPINES, INC.

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

PASSIVHAUS PHILIPPINES, INC. (the "Company") was incorporated and registered with Securities and Exchange Commission on November 4, 2024, under SEC Registration No. 2024110175407-01.

The Company aims to promote building science and Passiv House Training courses to support the uptake and development of Passivhaus in the Philippines, support all parts of the supply chain to deliver Passiv House standard in the Philippines, support all parts of the supply chain to deliver Passiv House projects in the Philippines.

The Company is not yet operational as of December 31, 2024.

The financial statements of the company for the year ended December 31, 2024 were authorized for issue by the Board of Directors on April 08, 2025. The Board of Directors are still empowered to make revisions even after the date of issue.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

Basis of Preparation

The financial statements of the Company have been prepared on a fair value measurement. The financial statements are presented in Philippine pesos, which is the Company's functional currency. All amounts are rounded to the nearest Philippine peso, except when otherwise indicated. The company applied Section 35 (Transition to the PFRS for SMEs) in preparing the Financial Statements, with January 1, 2010 as of the date of transition.

The accompanying financial statements have been prepared on a going concern basis, which contemplate the realization of assets and settlement of liabilities in the normal course of business.

Statement of Compliance

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) for Small and Medium Entities (SMEs).

Accounting Policies Adopted

The following sections that have been published by the International Accounting Standards Board (IASB) and adopted by FRSC which became effective for accounting periods beginning on or after July 1, 2009 were adopted by the Company.

Section 3	-	Financial Statement Presentation
Section 4	-	Statement of Financial Position
Section 5	-	Statement of Comprehensive Income and Income Statement
Section 6	-	Statement of Changes in Equity
Section 7	-	Statement of Cash Flows
Section 8	-	Notes to the Financial Statements
Section 10	-	Accounting Policies, Estimates and Errors
Section 11	-	Basic Financial Instruments
Section 13	-	Inventories
Section 17	-	Property and Equipment
Section 20	-	Leases
Section 21	-	Provisions and Contingencies
Section 22	-	Liabilities and Equity
Section 23	-	Revenue
Section 27	-	Impairment of Asset
Section 32	-	Events after the End of the Reporting Period
Section 33	-	Related Party Disclosures
Section 35	-	Transition to the PFRS for SMEs

The adoption of the above sections, upon which the Company has opted early, did not have any significant effect on the Company's financial statements. These, however, require additional disclosures on the Company's financial statements.

Section 3, "Financial Statement Presentation", explains fair presentation of financial statements, what compliance with the PFRS for SMEs requires, and what a complete set of financial statements is. This section prescribes the basis for presentation of general-purpose financial statements for SMEs to ensure comparability both with the entity's financial statements of previous periods and with the financial statement of other entities. It sets out overall requirements for the presentation of financial statements, guidelines for their structure and minimum requirements for their content.

Section 4, "Statement of Financial Position", sets out the information that is to be presented in a statement of financial position and how to present it. The statement of financial position (sometimes called the balance sheet) presents an entity's assets, liabilities and equity as of a specific date- the end of the reporting period and provides the minimum line items that should be included in the statement of financial position, however, additional line items, heading and subtotals shall be presented if they will be relevant to an understanding of the entity's financial position.

Section 5, "Income Statement", requires an entity to present its total income for a period - i.e. its financial performance for the period- in one or two financial statements. It sets out the information that is to be presented in those statements and how to present it.

Section 6, "Statement of Changes in Equity", sets out requirements for presenting the changes in an entity's equity or a period, either in a statement of changes in equity or, if specified conditions are met and an entity chooses, in a statement of income and retained earnings.

Section 7, "Statement of Cash Flows", sets out the information that is to be presented in a statement of cash flows and how to present it. The statement of cash flows provides information about the changes in cash and cash equivalents of an entity for a reporting period, showing separately changes from operating activities, investing activities and financing activities.

Section 8, "Notes to Financial Statements", sets out the principles underlying information that is to be presented in the notes to the financial statements and how to present it. Notes provide narrative descriptions or disaggregation of items presented in those statements and information about items that do not qualify for recognition in those statements. In addition to the requirements of this section, nearly every other section of this PFRS requires disclosures that are normally presented in the notes.

Section 10, "Accounting Policies, Estimates and Errors", provides guidance for selecting and applying the accounting policies used in preparing financial statements. It also covers changes in accounting estimates and correcting of errors in prior period of financial statements.

Section 11, "Basic Financial Instruments", deals with recognizing, measuring and disclosing basic financial instruments and is relevant to all entities. An entity shall recognize a financial asset or financial liability only when the entity becomes a party to the contractual provisions of the instrument. When the financial asset or financial liability is recognized initially, an entity shall measure it at the transaction price unless the arrangement constitutes, in effect, a financing transaction.

Section 17, "Property and Equipment", prescribes the accounting treatment for property and equipment so that users of the financial statements can discern information about an entity's investment in its property and equipment and the changes in such investment. The principal issues in accounting for property and equipment are the recognition of the assets, the determination of their carrying amounts and the depreciation charges and impairment losses to be recognized in relation to them. An entity shall measure an item of property and equipment at initial recognition at its cost. The cost of an item of property and equipment is the cash equivalent at the recognition date. If payment is deferred beyond normal credit terms, the cost is the present value of all future payments.

Section 20, "Leases", applies to an agreement that transfers the right to use assets even though substantial services by the lessor may be called for in connection with the operation or maintenance of such assets. This section does not apply to agreements that are contracts for services that do not transfer the right to use assets from one contracting party to the other. Its objective is to prescribe, for lessees and lessors, the appropriate accounting policies and disclosure to apply in relation to leases.

Section 21, "Provisions and Contingencies", outlines the recognition of a provision only when: (a) the entity has an obligation at the reporting date as a result of a past event; (b) it is probable (i.e. more likely than not) that the entity will be required to transfer economic benefits in settlement; and (c) the amount of obligation can be estimated reliably. Its objective is to ensure that appropriate recognition criteria and measurement bases are applied to provisions, contingent liabilities and contingent assets and that sufficient information is disclosed in the notes to enable users to understand their nature, timing and amount.

Section 22, "Liabilities and Equity", establishes principles for classifying financial instruments as either liabilities or equity and addresses accounting for equity instruments issued to individuals or other parties acting in their capacity as investors in equity instruments (i.e. in their capacity as owners).

Section 23, "Revenue", prescribes the accounting treatment of revenue arising from certain types of transactions and events. The primary issue is accounting for revenue is determining when to recognize revenue. Revenue is recognized when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably. This section identifies the circumstances in which these criteria will be met and, therefore, revenue will be recognized. It also provides practical guidance on the application of these criteria. An entity shall measure revenue at the fair value of the consideration received or receivable.

Section 27, "Impairment of Assets", prescribes the procedures that an entity applies to ensure that its assets are carried at no more than their recoverable amount if its carrying amount exceeds the amount to be recovered through use of or sale of the asset. If this is the case, the asset is described to be impaired and the standard requires the entity to recognize an impairment loss.

Section 33, "Related Party Disclosures", requires an entity to include in its financial statements the disclosures necessary to draw attention to the possibility that its financial position and profit or loss have been affected by the existence of related parties and by transactions and outstanding balances with such parties. An entity shall disclose key management personnel compensation.

Section 35, "Transition to the PFRS for SMEs", applies to a first-time adopter of the PFRS for SMEs, regardless of whether its previous accounting framework was full PFRS or another set of generally accepted accounting principles (GAAP) such as its national accounting standards, or another framework such as the local income tax basis.

It is the opinion of Management that assets and liabilities were recognized at fair value; hence these were considered deemed cost.

The significant sections and practices of the Company are set forth to facilitate the understanding of the financial statements:

Financial Assets

Financial assets include Cash, Trade and other Receivables.

Cash

Cash includes cash in bank and on hand, petty cash and change fund. Cash in banks are deposits held at call with banks. The Company reconciles the books and bank balances regularly as part of its cash monitoring and internal control measures. Petty Cash Fund is used for small payments not covered by checks. Change fund is established to make change at sales location. These funds are not to be used for payments of small and/or nonrecurring charges.

Trade and Other Receivables

Trade receivables represent accounts receivable and is non-interest bearing measure initially at invoice transaction price and subsequently measured at their fair value as reduced by appropriate allowances for doubtful accounts and impairment, if any.

Other receivables are recorded initially at transaction cost and subsequently measured at cost less impairment, if any. Other receivables consist of Advances to Employee.

Inventories

Inventories are valued at the lower of cost and estimated selling price less costs to sell. Cost of inventories includes all costs of purchase and other costs incurred in bringing in the inventories to their present location and condition.

Periodic system is the accounting used for the company's inventories. The cost of inventories is determined using First-In-First-Out (FIFO) method.

Other Current Assets

Other current assets include Input Tax and Creditable Withholding Tax.

Property and Equipment

Property and equipment are measured initially at its cost. Property and equipment, after initial recognition are stated at cost less any accumulated depreciation and any accumulated impairment losses.

The initial cost of property and equipment comprised its purchase price and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These can include the costs of initial delivery and handling, installation and assembly, and testing of functionality.

For financial reporting purposes, duties and taxes related to the acquisition of property and equipment are capitalized. For income tax reporting purposes, such duties and taxes are treated as deductible expenses in the year these charges are incurred.

For financial reporting purposes, depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Other Noncurrent Assets

Other noncurrent assets include Security Deposit, Construction Bond and are initially recorded at transaction costs and subsequently measured at net realizable value.

Financial Liabilities

Financial liabilities are recognized initially at fair value

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of instrument.

Financial liabilities include Trade and Other Payables.

Trade and Other Payables

Trade payables and liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier.

Other Payables include payables to supplier of capital assets and purchases other than those related to product cost.

Trade and other payable are initially recorded at transaction price and subsequently measured at their cost less settlement payments.

Other Current Liabilities

Other current liabilities include service charge payable.

Financial Instruments

Date of Recognition

The Company recognizes a financial asset or a financial liability in the balance sheets when it becomes a party to the contractual provisions of the instrument.

Initial Recognition of Financial Instruments

All financial assets are initially recognized at fair value.

Determination of Fair Value

For all other financial instruments not listed in an active market, the fair market value is determined by using appropriate valuation techniques. Valuation techniques include net present value techniques, comparison to similar instruments for which market observable prices exist, options pricing models, and other relevant valuation models.

Impairment of Financial Assets

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial asset is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indication that their borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interests or principal payments, the probability that they will enter bankruptcy

or other financial reorganization and where observable data indicate that there is measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Provisions and Contingencies

Provision are recognized when the Company has present obligation, either legal or constructive, as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably. When the Company expects reimbursement of some or all of the expenditure required to settle a provision, the entity recognized a separate asset for the reimbursement only when it is virtually certain that reimbursement will be received when the obligation is settled.

The amount of provision recognized is the best estimate of the consideration required to settle the present obligation at the balance sheet date, considering the risk and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent liabilities and assets are not recognized because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent liabilities, if any, are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are disclosed only when an inflow of economic benefits is probable.

Total Equity

Total equity comprises paid up capital and retained earnings.

Paid-up Capital

Paid up capital is determined by the actual shares subscribed and paid.

Retained Earnings

Retained earnings include all current period results as disclosed in the statement of revenue and expenses.

Revenue and Cost Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be reliably measured. However, when an uncertainty arises about the collectability of an amount already included in the revenue, the uncollected amount, or the amount in respect of which recovery has ceased to be probable, is recognized as an expense, rather than as an adjustment of the amount of revenue originally recognized.

Cost, distribution, administrative and finance cost are recognized in the statement of income upon utilization of the service or in the date they are incurred.

Income Taxes

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities, if any, are measured at the tax rates expected in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Leases

A lease is classified as finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risk and rewards incidental to ownership. Operating lease payment is recognized as expense in the statement of income on a straight line basis over the lease term.

Events After the End of the Reporting Period

Post-year-end events up to the date of the auditor's report that provides additional information about the Company's position at the balance sheet date (adjusting events) are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

Related Party Disclosures

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. This includes (1) individual owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Company; (2) associates; and (3) 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.

The key management personnel of the Company and post-employment benefit plans for the benefit of Company's employees, if any, are also considered to be related parties.

The Company's related parties include the officers and affiliates who made advances for the operation of the company.

3. CASH ON HAND AND IN BANK

Cash in Bank	-
Total	-

Cash in Bank represents savings/current account in a reputable local bank. Savings account deposits earn interest at the respective bank deposit rates and current account deposits do not earn interest. The Company reconciles the books and bank balances regularly as part of its cash monitoring and internal control measures.

4. ADVANCES FROM SHAREHOLDERS

This account consists of

Advances from Shareholders	47,841
Total	47,841

This represents obligations by the Company to related parties and are generally non-interest bearing.

5. RELATED PARTY DISCLOSURE

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

6. OPERATING EXPENSES

This account consists of administrative expenses with breakdown as follows:

	<i>note</i>	
Taxes and Licenses	7.	3,235
Organization Expense		20,000
Office Supplies		5,627
Membership Fees		18,979
Total		47,841

Administrative expenses are recognized in the statement of income upon utilization of the service or on the date they are incurred.

7. TAXES AND LICENSES

Taxes and Licenses paid for the year are as follows:

SEC Registration Fee	2,735
Notarization and other Expenses	500
Total	3,235

8. INCOME TAX

A reconciliation of income tax expense at statutory rate and income tax reflected on the statement of income is as follows:

Pretax Income (Loss)	(47,841)
Income Tax benefit rate at tax rate 20%	(9,568)

The Company has incurred net operating loss carry-over (NOLCO) available for tax reporting as follows:

Year Incurred	Balance as of Dec. 31, 2023	Incurred in 2024	Applied (Expired) in 2024	Balance as of December 31, 2024
2024	-	47841.108		47,841

Subject Fwd: Your BIR AFS eSubmission uploads were received
From Passivhaus Philippines <info@passivhausph.org>
To: Divine Bote-Basilio <dvinelove_0510@yahoo.com>
Date Today at 1:27 PM

----- Forwarded message -----

From: <eafs@bir.gov.ph>
Date: Mon, Apr 14, 2025 at 9:14 PM
Subject: Your BIR AFS eSubmission uploads were received
To: <INFO@passivhausph.org>
Cc: <NORM@passivhausph.org>

Hi PASSIVHAUS PHILIPPINES INC.,

Valid files

- EAFS664251431AFSTY122024.pdf
- EAFS664251431ITRTY122024.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-8L97LJA70BK9L9KEENN2WVTRV0ALL6EG7J**
Submission Date/Time: **Apr 15, 2025 10:14 AM**
Company TIN: **664-251-431**

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