

ROXAS HOLDINGS, INC. (formerly CENTRAL AZUCARERA DON PEDRO)

(Company's Full Name)

**14th Floor, Net One Center, 26th corner 3rd Avenue,
Bonifacio Global City, Taguig, Metro Manila**

(Company's Address)

(632) 771-7800

(Company's Telephone Number)

September 30, 2017

(Fiscal Year Ending)

SEC Form 17-Q

(Form Type)

Amended Designation (If Applicable)

June 30, 2017

Period Ended Date

(Secondary License Type and File Number)

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 quarter ended: **30 June 2017**
2. Commission Identification Number **15A**
3. BIR Tax Identification No. **000-290-538**
4. Exact name of registrant as specified in its charter **ROXAS HOLDINGS, INC. (FORMERLY
CENTRAL AZUCARERA DON PEDRO)**
5. Province, country or other jurisdiction of incorporation or organization
Philippines
6. Industry Classification Code:
7. Address of principal office Postal Code
14th Floor, Net One Center, 26th corner 3rd Avenue,
Bonifacio Global City, Taguig, Metro Manila **1634**
8. Registrant's telephone number, including area code
(632) 771-7800
9. Former name, former address and former fiscal year, if changed since last report
Not Applicable
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares and Amount of Debt Outstanding
Authorized Capital Stock:	1,500,000,000
No. of common shares issued and outstanding	1,439,441,965
No. of preferred shares issued and outstanding	-
11. Are any or all of these securities listed on the Philippine Stock Exchange.

Yes ☒No ☐

12. Indicate by check mark whether the registrant:

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

Yes ☒ [X]

No ☐ []

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

Yes ☒ [X]

No ☐ []

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ROXAS HOLDINGS, INC. AND SUBSIDIARIES

Unaudited Interim Condensed Consolidated Financial Statements
June 30, 2017 (With Comparative Audited Figures as at September 30, 2016)
and for the Nine-Month Periods Ended June 30, 2017 and 2016

ROXAS HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2017
(With Comparative Audited Balances as at September 30, 2016)
(Amounts in Thousands)

	Notes	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
ASSETS			
Current Assets			
Cash	3	₱446,892	₱704,522
Trade and other receivables	4	1,422,675	1,331,026
Inventories	5	4,480,456	1,601,818
Other current assets	6	1,077,782	846,985
Total Current Assets		7,427,805	4,484,351
Noncurrent Assets			
Investment in an associate	7	608,525	648,868
Property, plant and equipment:	8		
At cost		10,580,094	10,310,723
At appraised values		4,379,780	4,379,780
Investment properties		321,323	320,812
Goodwill		1,079,615	1,079,615
Retirement assets		38,286	106,835
Net deferred tax assets		344,355	253,037
Other noncurrent assets		35,345	74,003
Total Noncurrent Assets		17,387,323	17,173,673
		₱24,815,128	₱21,658,024
LIABILITIES AND EQUITY			
Current Liabilities			
Short-term borrowings	9	₱4,686,574	₱2,914,339
Convertible debt securities	12	523,750	—
Current portion of long-term borrowings	11	1,032,371	379,954
Trade and other payables	10	1,918,462	1,071,901
Income tax payable		1,966	1,751
Total Current Liabilities		8,163,123	4,367,945
Noncurrent Liabilities			
Long-term borrowings - net of current portion	11	5,158,807	6,055,566
Retirement liabilities		419,803	327,952
Net deferred tax liabilities		1,120,689	1,131,642
Other noncurrent liabilities		1,300	1,300
Total Noncurrent Liabilities		6,700,599	7,516,460
Total Liabilities (Carried Forward)		14,863,722	11,884,405

		June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
	Note		
Total Liabilities (Brought Forward)		₱14,863,722	₱11,884,405
Equity Attributable to the Equity Holders of the Parent Company	12		
Capital stock		1,439,442	1,439,442
Additional paid-in capital		2,427,952	2,425,550
Treasury stock		(52,290)	(52,290)
Other equity reserves		3,281,436	3,281,436
Retained earnings		2,790,045	2,613,961
		9,886,585	9,708,099
Non-controlling Interests		64,821	65,520
Total Equity		9,951,406	9,773,619
		₱24,815,128	₱21,658,024

See accompanying Notes to Financial Statements.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED
JUNE 30, 2017 AND 2016
(Amounts in Thousands, except Basic and Diluted Earnings per Share Data)

	Three-Month Period April to June 30 (Unaudited)		Nine-Month Period October 1 to June 30 (Unaudited)	
	2017	2016	2017	2016
REVENUE	₱3,004,015	₱2,569,821	₱7,967,164	₱10,456,220
COST OF GOODS SOLD	(2,555,661)	(2,366,634)	(6,915,848)	(9,610,938)
GROSS INCOME	448,354	203,187	1,051,316	845,282
OPERATING EXPENSES	(216,853)	(231,683)	(674,060)	(714,611)
INTEREST EXPENSE	(112,189)	(77,249)	(322,119)	(291,074)
SHARE IN NET EARNINGS OF AN ASSOCIATE	(11,356)	34,936	69,572	105,204
OTHER INCOME	40,185	16,839	77,130	73,748
INCOME (LOSS) BEFORE INCOME TAX	148,141	(53,970)	201,839	18,549
INCOME TAX BENEFIT (EXPENSE)				
Current	(114,417)	(2,869)	(128,724)	(18,319)
Deferred	66,036	65,365	102,270	74,872
	(48,381)	62,496	(26,454)	56,553
NET INCOME	₱99,760	₱8,526	₱175,385	₱75,102
Net income attributable to:				
Equity holders of the Parent Company	₱101,110	₱8,676	₱176,084	₱75,791
Non-controlling interests	(1,350)	(150)	(699)	(689)
	₱99,760	₱8,526	₱175,385	₱75,102
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY				
Basic	₱0.07	₱0.01	₱0.12	₱0.06
Diluted	0.07	0.01	0.12	0.06

See accompanying Notes to Financial Statements.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED
JUNE 30, 2017 AND 2016
(Amounts in Thousands)

	Three-Month Period April to June 30 (Unaudited)		Nine-Month Period October 1 to June 30 (Unaudited)	
	2017	2016	2017	2016
NET INCOME	₱99,760	₱8,526	₱175,385	₱75,102
OTHER COMPREHENSIVE INCOME				
Remeasurement gain on retirement liabilities, net of tax	—	—	—	3,652
TOTAL COMPREHENSIVE INCOME	₱99,760	₱8,526	₱175,385	₱78,754
Total comprehensive income attributable to:				
Equity holders of the Parent Company	₱101,110	₱8,676	₱176,084	₱78,912
Non-controlling interests	(1,350)	(150)	(699)	(158)
	₱99,760	₱8,526	₱175,385	₱78,754

See accompanying Notes to Financial Statements.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED**

JUNE 30, 2017 AND 2016

(Amounts in Thousands)

	Three-Month Period April to June 30 (Unaudited)		Nine-Month Period October 1 to June 30 (Unaudited)	
	2017	2016	2017	2016
CAPITAL STOCK				
Beginning balance	₱1,439,442	₱1,171,100	₱1,439,442	₱1,169,289
Issuance of shares:				
Stock rights offering	—	266,754	—	266,754
Exercise of stock option	—	1,588	—	3,399
Ending balance	1,439,442	1,439,442	1,439,442	1,439,442
ADDITIONAL PAID-IN CAPITAL				
Beginning balance	2,425,550	1,588,208	2,425,550	1,573,993
Issuance of shares, net of stock transaction costs:				
Stock rights offering	—	849,093	—	849,093
Employee stock option	—	1,584	—	3,574
Stock option expense	2,402	6,113	2,402	18,338
Ending balance	2,427,952	2,444,998	2,427,952	2,444,998
TREASURY STOCK	(52,290)	(52,290)	(52,290)	(52,290)
OTHER EQUITY RESERVES				
Beginning balance	3,281,436	3,148,674	3,281,436	3,145,022
Remeasurement gain on retirement liabilities, net of tax	—	—	—	3,652
	3,281,436	3,148,674	3,281,436	3,148,674
RETAINED EARNINGS				
Beginning balance	2,688,935	2,584,645	2,613,961	2,517,530
Net income	101,110	8,676	176,084	75,791
	2,790,045	2,593,321	2,790,045	2,593,321
NON-CONTROLLING INTERESTS				
Beginning balance	66,171	162,333	65,520	162,872
Prior period adjustments	—	(86,807)	—	(86,807)
Loss attributable to non-controlling interests	(1,350)	(150)	(699)	(689)
	64,821	75,376	64,821	75,376
TOTAL EQUITY	₱9,951,406	₱9,649,521	₱9,951,406	₱9,649,521

See accompanying Notes to Financial Statements.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED
JUNE 30, 2017 AND 2016
(Amounts in Thousands)

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	P201,839	P18,549
Adjustments for:		
Depreciation and amortization	843,452	679,577
Interest expense	322,119	219,074
Share in net earnings of associate	(69,572)	(105,204)
Stock options expense	2,402	18,338
Interest income	(722)	(8,173)
Operating income before changes in working capital	1,299,518	822,161
Decrease (increase) in:		
Trade and other receivables	(194,140)	(370,407)
Inventories	(2,878,638)	(595,359)
Other current assets	(230,797)	(203,236)
Increase in trade and other payables	841,650	55,664
Net cash used in operations	(1,162,407)	(291,177)
Income taxes paid	(128,510)	(29,479)
Interest received	722	8,173
Net cash flows used in operating activities	(1,290,195)	(312,483)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Property, plant and equipment	(957,260)	(682,467)
Investment properties	(511)	-
Redemption of preferred stock of a subsidiary	-	(38,850)
Proceeds from dividends received	212,407	132,469
Decrease in other noncurrent assets	38,658	1,860
Net cash flows used in investing activities	(706,706)	(586,988)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net availments of short-term borrowings	1,772,235	1,598,737
Proceeds from convertible debt securities	523,750	-
Payments of:		
Long-term borrowings	(244,343)	(1,244,611)
Interest	(312,371)	(216,588)
Proceeds from issuance of shares, net of transaction costs:		
Stock rights offering	-	1,115,846
Exercise of stock options	-	6,973
Net cash flows provided by financing activities	1,739,271	1,260,357
NET INCREASE (DECREASE) IN CASH	(257,630)	360,886
CASH AT BEGINNING OF PERIOD	704,522	202,415
CASH AT END OF PERIOD	P446,892	P563,301

See accompanying Notes to Financial Statements.

ROXAS HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Roxas Holdings, Inc. (RHI or the Parent Company), doing business under the name and style of CADP Group, was organized in the Philippines and registered with the Securities and Exchange Commission (SEC) on October 30, 1930 for the purpose of holding and investing in corporations engaged in the business of manufacturing sugar and allied products. The corporate life of the Parent Company has been extended for another 50 years until November 1, 2030.

In July 1996, the Parent Company offered its shares to the public through an initial public offering. On August 8, 1996, the shares of stock of the Parent Company were listed in the Philippine Stock Exchange (PSE).

As at September 30, 2013, the Parent Company is 66% owned by Roxas and Company, Inc. (RCI), a publicly-listed company incorporated and domiciled in the Philippines. On November 29, 2013, RCI sold its 27% equity interest in the Parent Company to First Pacific Natural Resources Limited (FPNRL), a subsidiary of First Pacific Company, Ltd. (First Pacific), a Hong Kong-based company, reducing RCI's equity interest in the Parent Company to 35%. As at September 30, 2014, RCI has 36% equity interest of the Parent Company.

On February 28, 2015, First Agri Holdings Corporation (FAHC), a Philippine affiliate of FPNRL, acquired 241,780,709 treasury shares of the Company amounting to ₱1,692.5 million representing 24% interest in the Parent Company. As a result, equity interest of RCI in the Parent Company was further diluted from 35% to 28%. As at September 30, 2015, RCI has 31% equity interest in RHI.

The Parent Company completed its stock rights offering in May 2016 for 266,753,974 outstanding common shares of RHI, with par value of P1.00 a share, on a pre-emptive basis to holders of common shares of the capital stock of RHI as at May 4, 2016 (the "Record Date") at an offer price of P4.19 per Rights Share (the "Offer Price") (see Note 12). As a result the equity interest of FAHC in RHI increased from 24% to 33%.

The corporate office of the Parent Company is located at 14th Floor, Net One Center, 26th cor. 3rd Avenue, Bonifacio Global City, Taguig, Metro Manila while the manufacturing plants of its operating subsidiaries are in Barrio Lumbangan, Nasugbu, Batangas and Barrio Consuelo, La Carlota City, Negros Occidental, San Carlos Ecozone, San Carlos City, Negros Occidental.

The interim condensed consolidated financial statements of the Parent Company and its subsidiaries (collectively, the Group) for the nine-month period ended June 30, 2017 were authorized for issue in accordance with a resolution of the Board of Directors on August 9, 2017.

2. Basis of Preparation and Basis of Consolidation

Basis of Preparation

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for land and investment properties that are measured at fair value. The consolidated financial statements have been presented in Philippine Peso, which is the functional currency of

the Group. All amounts are rounded to the nearest thousands, except for number of shares and unless otherwise indicated.

The interim condensed financial statements have been prepared in accordance with Philippine Accounting Standards (PAS) 34, Interim Financial Reporting.

The unaudited interim condensed financial statements do not include all the information and disclosures required in the annual audited financial statements and should be read in conjunction with the Company's annual audited financial statements as at and for the year ended September 30, 2016, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

Adoption of New and Revised PFRS

The Group adopted the following amendments and improvements to PFRS effective October 1, 2016 as summarized below.

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Investments in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception*, clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value. Furthermore, the amendments to PFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. The amendments to PAS 28 allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries. These amendments do not have a significant impact on the Group's consolidated financial statements.
- PFRS 11, *Joint Arrangements - Accounting for Acquisitions of Interests* (Amendments), require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business (as defined by PFRS 3), to apply the relevant PFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not re-measured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to PFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation. These amendments do not have any impact on the Group's consolidated financial statements.

- PFRS 14, *Regulatory Deferral Accounts*, allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of PFRS. Entities that adopt PFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of income and other comprehensive income (OCI). The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. Since the Group is an existing PFRS preparer, this standard does not have any impact on the consolidated financial statements.

- PAS 1 (Amendments), *Presentation of Financial Statements – Disclosure Initiative*, encourage entities to apply professional judgment in presenting and disclosing information in the financial statements. Accordingly, they clarify that materiality applies to the whole financial statements and an entity shall not reduce the understandability of the financial statements by obscuring material information with immaterial information or by aggregating material items that have different natures or functions. Moreover, the amendments clarify that an entity's share in other comprehensive income of associates and joint ventures accounted for using equity method should be presented based on whether or not such other comprehensive income item will subsequently be reclassified to profit or loss. They further clarify that in determining the order of presenting the notes and disclosures, an entity shall consider the understandability and comparability of the financial statements. These amendments do not have a significant impact on the Group's consolidated financial statements.
- PAS 16, *Property, Plant and Equipment*, and PAS 38, *Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortization* (Amendments), clarify the principle in PAS 16 and PAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortize intangible assets. These amendments do not have a significant impact on the Group's consolidated financial statements.
- PAS 16, *Property, Plant and Equipment*, and PAS 41, *Agriculture - Bearer Plants* (Amendments), change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of PAS 41. Instead, PAS 16 will apply. After initial recognition, bearer plants will be measured under PAS 16 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of PAS 41 measured at fair value less costs to sell. For government grants related to bearer plants, PAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*, will apply. These amendments have no impact to the Group as it does not have any bearer plants.
- PAS 27, *Separate Financial Statements - Equity Method in Separate Financial Statements* (Amendments), allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying PFRS and electing to change to the equity method in its separate financial statements will have to apply that change retrospectively. These amendments do not have a significant impact on the Group's consolidated financial statements.
- Annual Improvements to PFRS (2012 - 2014 cycle)
Among the improvements, the following amendments are relevant to the Group but had no material impact on the Group's consolidated financial statements as these amendments merely clarify the existing requirements:
 - PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations - Changes in Methods of Disposal*, is applied prospectively and clarifies that changing from a disposal through sale to a disposal through distribution to owners and vice-versa should not be considered to be a new plan of disposal, rather it is a continuation of the original plan.

There is, therefore, no interruption of the application of the requirements in PFRS 5. The

amendment also clarifies that changing the disposal method does not change the date of classification.

- PFRS 7, *Financial Instruments: Disclosures - Servicing Contracts*, requires an entity to provide disclosures for any *continuing* involvement in a transferred asset that is derecognized in its entirety. The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance in PFRS 7 in order to assess whether the disclosures are required. The amendment is to be applied such that the assessment of which servicing contracts constitute continuing involvement will need to be done retrospectively. However, comparative disclosures are not required to be provided for any period beginning before the annual period in which the entity first applies the amendment.
- PFRS 7, *Applicability of the Amendments to PFRS 7 to Condensed Interim Financial Statements*, clarifies that the disclosures on offsetting of financial assets and financial liabilities are not required in the condensed interim financial report unless they provide a significant update to the information reported in the most recent annual report. This amendment is applied retrospectively.
- PAS 19, *Employee Benefits - Regional Market Issue Regarding Discount Rate*, clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used. This amendment is applied retrospectively.
- PAS 34, *Interim Financial Reporting - Disclosure of Information 'Elsewhere in the Interim Financial Report'*, clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report). This amendment is applied retrospectively.

New and Revised PFRS Not Yet Adopted

Relevant new and revised PFRS, which are not yet effective for the year ended September 30, 2016 and have not been applied in preparing the consolidated financial statements, are summarized below.

Effective for annual periods beginning on or after January 1, 2017

- PAS 7 (Amendments), *Statement of Cash Flows - Disclosure Initiative*, are designed to improve the quality of information provided to users of financial statements about changes in an entity's debt and related cash flows (and non-cash changes). They require an entity to provide disclosures that enable users to evaluate changes in liabilities arising from financing activities. An entity applies its judgment when determining the exact form and content of the disclosures needed to satisfy this requirement. Moreover, they suggest a number of specific disclosures that may be necessary in order to satisfy the above requirement, including: (a) changes in liabilities arising from financing activities caused by changes in financing cash flows, foreign exchange rates or fair values, or obtaining or losing control of subsidiaries or other businesses; and, (b) a reconciliation of the opening and closing balances of liabilities arising from financing activities in the statement of financial position including those changes identified immediately above.
- PAS 12 (Amendments), *Income Taxes - Recognition of Deferred Tax Assets for Unrealized*

Losses, clarifies how to account for deferred tax assets related to debt instruments measured at fair value, particularly where changes in the market interest rate decrease the fair value of a debt instrument below cost. The amendments provide guidance in the following areas where diversity in practice previously existed: (a) existence of a deductible temporary difference; (b) recovering an asset for more than its carrying amount; (c) probable future taxable profit against which deductible temporary differences are assessed for utilization; and, (d) combined versus separate assessment of deferred tax asset recognition for each deductible temporary difference.

Effective for annual periods beginning on or after January 1, 2018

- PFRS 9, *Financial Instruments* (2014 or final version), reflects all phases of the financial instruments project and replaces PAS 39 and all previous versions of PFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. PFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application is required, but providing comparative information is not compulsory. Early application of previous versions of PFRS 9 is permitted if the date of initial application is before February 1, 2015. The Group did not early adopt PFRS 9. The adoption of PFRS 9 is not expected to have any significant impact on the Group's consolidated financial statements

Effective for annual periods beginning on or after January 1, 2019

- PFRS 16, *Leases*, will eventually replace PAS 17, *Leases*, the current leases standard, and the related Interpretations. Under the new standard, lessees will no longer classify their leases as either operating or finance leases in accordance with PAS 17. Rather, lessees will apply the single-asset model. Under this model, lessees will recognize the assets and related liabilities for most leases on their statements of financial position, and subsequently, will depreciate the lease assets and recognize interest on the lease liabilities in their statement of comprehensive income. Leases with a term of twelve months or less or for which the underlying asset is of low value are exempted from these requirements.

The accounting by lessors is substantially unchanged as the new standard carries forward the principles of lessor accounting under PAS 17. Lessors, however, will be required to disclose more information in their financial statements, particularly on the risk exposure to residual value.

The Group is currently assessing the impact of PFRS 16 in its consolidated financial statements.

With Deferred Effective Date

- PFRS 10 (Amendments), *Consolidated Financial Statements*, and PAS 28 (Amendments), *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associates or Joint Venture*, requires full recognition in the investor's financial statements of gains or losses arising on the sale or contribution of assets that constitute a business as defined in PFRS 3, *Business Combinations*, between an investor and its associate or joint venture. Accordingly, the partial recognition of gains or losses (i.e., to the extent of the unrelated investor's interests in an associate or joint venture) only applies to those sale of contribution of assets that do not constitute a business. Corresponding amendments have been made to PAS 28 to reflect these changes. In addition, PAS 28 has been amended to clarify that when determining whether assets that are sold or contributed constitute a business, an entity shall consider whether the sale or contribution of those

assets is part of multiple arrangements that should be accounted for as a single transaction.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries, which it controls as at September 30 of each year. The Parent Company has control over the investee when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Following is the list of the subsidiaries:

	Percentage of Ownership			Nature of Business	Principal Place of Business
	2017	2016	2015		
Central Azucarera Don Pedro, Inc. (CADPI) ⁽¹⁾	100.00%	100.00%	100.00%	Production and selling of raw and refined sugar, molasses and related products	Taguig City and Nasugbu, Batangas
Central Azucarera de la Carlota, Inc. (CACI)	100.00%	100.00%	100.00%	Production and selling of raw sugar and molasses	Taguig City and Negros Occidental
CADP Insurance Agency, Inc. (CIAI)	100.00%	100.00%	100.00%	Insurance agency	Makati City
Roxol Bioenergy Corp. (RBC) ⁽¹⁾	100.00%	100.00%	100.00%	Production and selling of bioethanol fuel and trading of goods such as sugar and related products	Negros Occidental
CADP Port Services, Inc. (CPSI)	100.00%	100.00%	100.00%	Providing ancillary services	Makati City
RHI Agri-Business Development Corporation (RABDC) ⁽²⁾	100.00%	100.00%	100.00%	Agricultural business	Makati City
Roxas Pacific Bioenergy Corporation (RPBC) ⁽²⁾	100.00%	100.00%	100.00%	Holding company for bioethanol investments	Negros Occidental
RHI Pacific Commercial Corp. (RHIPCC) ⁽²⁾	100.00%	100.00%	100.00%	Selling arm of RHI Group	Makati City
San Carlos Bioenergy, Inc. (SCBI) ⁽³⁾	93.68%	93.68%	93.68%	Production and selling of bioethanol fuel	Negros Occidental
Najalin Agri Ventures, Inc. (NAVI)	77.38%	77.38%	77.38%	Agricultural and industrial development	Negros Occidental
Roxas Power Corporation (RPC)	50.00%	50.00%	50.00%	Sale of electricity	Nasugbu, Batangas

⁽¹⁾ Direct ownership of 20.53% and indirect ownership through CADPI of 79.47%

⁽²⁾ Newly incorporated wholly owned subsidiaries in 2015. As at September 30, RHIPCC has not yet started commercial operations

⁽³⁾ Acquired in April 2015 through RPBC

Non-controlling interests represent the portion of profit or loss and net assets of NAVI, RPC and SCBI not held by the Group, directly or indirectly, and are presented separately in the consolidated statements of comprehensive income and within the equity section of the consolidated statements of financial position and consolidated statements of changes in equity, separately from the Parent Company's equity. Total comprehensive income is attributed to the portion held by the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit.

3. Cash and Cash equivalents

This account consists of:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Cash on hand	₱49,354	₱612
Cash in banks	362,549	703,910
Cash equivalents	34,989	—
	₱446,892	₱704,522

Cash in banks earn interest at the respective bank deposit rates.

4. Trade and Other Receivables

This account consists of:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Trade	₱1,312,239	₱889,411
Due from:		
Planters and cane haulers	64,601	246,978
Employees	68,911	59,005
Related parties	55,235	37,525
Dividend	–	102,492
Advances to suppliers	–	5,306
Others	8,264	76,819
	1,509,250	1,417,536
Allowance for impairment losses	(86,575)	(86,510)
	₱1,422,675	₱1,331,026

5. Inventories

This account consists of:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
At NRV:		
Raw sugar	₱1,418,065	₱–
Materials and supplies	490,156	545,547
Molasses	845,577	–
Alcohol	369,013	–
At cost:		
Refined sugar	1,343,372	594,941
Work in process	6,037	–
Biological assets	8,236	–
Molasses	–	361,095
Alcohol	–	100,235
	₱4,480,456	₱1,601,818

Cost of inventories valued at NRV is shown below:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Raw sugar	₱1,442,268	₱–
Materials and supplies	527,078	905,120
Molasses	856,226	–
Alcohol	398,680	–
	₱3,224,252	₱905,120

6. Other Current Assets

This account consists of:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Creditable withholding taxes, net of allowance for impairment loss	₱485,528	₱506,331
Input VAT	333,260	264,494
Advances to suppliers	182,162	32,073
Prepayments	50,515	25,142
Refundable deposits	13,564	12,636
Others	12,753	6,309
	₱1,077,782	₱846,985

Allowance for impairment loss on creditable withholding taxes amounted to ₱12.2 million.

Input VAT, which includes deferred input VAT, mainly arises from construction services relating to the Ethanol Plant and other purchases of capital goods and services for operations.

7. Investment in an Associate

Movements in investment in an associate are as follows:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Acquisition cost	₱127,933	₱127,933
Accumulated share in net earnings:		
Balance at beginning of period	322,648	345,350
Share in net earnings	69,572	212,258
Dividends declared	(109,915)	(234,960)
Balance at end of the period	282,305	322,648
Cumulative share in remeasurement loss on retirement liability		
Balance at beginning of period	(9,205)	(6,175)
Share in remeasurement loss	—	(3,030)
Balance at end of the period	(9,205)	(9,205)
Share in revaluation increment of land	207,492	207,492
	₱608,525	₱648,868

The Parent Company has 45.09% ownership interest in Hawaiian-Philippine and Company (HPCo), an entity incorporated in the Philippines, which is engaged in manufacturing and trading of raw and refined sugar, molasses and other sugar by-products.

Summarized financial information of HPCo are as follows:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Current assets	₱1,030,653	₱799,763
Noncurrent assets	1,330,645	1,325,835
Current liabilities	1,043,123	674,682
Noncurrent liabilities	408,875	419,578
Net assets	909,300	1,031,338

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)
Revenue	₱1,818,905	₱1,624,668
Net income	121,114	233,320

8. Property, Plant and Equipment

Acquisitions and disposals

During the nine months ended June 30, 2017, the Group acquired assets amounting to ₱616.4 million excluding property under construction.

The Group also started several capital expenditures. The projects with carrying amount of ₱340.9 million are expected to be completed within a year.

Certain property, plant and equipment with a carrying amount of ₱9,674.6 million were mortgaged and used as collateral to secure the loan obligations with the local banks (see Note 11).

9. Short-term Borrowings

This account consists of unsecured short-term loans obtained from various local banks for working capital requirements of the Group. The short-term borrowings are payable within 30 to 90 days and bear interest ranging from 3.0% to 5.5% and 2.75% to 3.5% for the periods ended June 30, 2017 and September 30, 2016, respectively.

Total interest expense arising from short-term borrowings amounted to ₱122.0 million and ₱109.2 million for the nine-month periods ended June 30, 2017 and 2016, respectively.

10. Trade and Other Payables

This account consists of:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Trade	₱626,828	₱338,372
Accruals for:		
Offseason costs	436,690	—
Interest	40,530	30,781
Payroll and other employee benefits	4,670	7,777
Others	277,692	240,923
Due to:		
Related parties	5,140	98,936
Planters	9,350	4,985
Payable to government agencies for taxes and statutory contributions	65,167	30,058
Provision for probable losses	22,000	22,000
Customers' deposits	138,515	7,513
Others	291,880	290,556
	₱1,918,462	₱1,071,901

11. Long-term Borrowings

The Group obtained various loans from local banks. Total outstanding payable arising from loan agreements are as follows:

Facility	Terms	Collateral	Outstanding Balance	
			June 30, 2017	September 30, 2016
₱3,265.0 million dated August 5, 2014	Payable in equal quarterly amortization for seven years beginning November 2016 and bears fixed interest of 4.50% for three years subject to repricing thereafter	Suretyship agreement and mortgage trust indenture (MTI)	₱2,397,031	₱2,645,000
₱1,227.0 million dated September 10, 2014	Quarterly principal repayment amounting to ₱49.0 million starting September 2017 until June 2021 and a lump sum payment of the remaining balance on September 10, 2021 and bears fixed interest of 4.50% subject to change as agreed by the parties	Suretyship agreement and MTI	1,227,000	1,227,000
₱800.0 million dated August 12, 2016	Quarterly principal repayment amounting to ₱100.0 million starting November 2017 until December 2019 with one year grace period and bears fixed interest rate of 4.50% subject to change as agreed by the parties	Suretyship agreement and MTI	800,000	800,000

(Forward)

Facility	Terms	Collateral	Outstanding Balance	
			June 30, 2017	September 30, 2016
₱800.0 million dated February 5, 2016	Quarterly principal repayment amounting to ₱38.1 million starting December 2017 until December 2022 and bears floating interest	Clean loan	₱800,000	₱800,000
₱1,000.0 million dated September 28, 2016	Quarterly principal repayment amounting to ₱28.6 million starting December 2017 until December 2022 and bears floating interest	Clean loan	600,000	600,000
₱380.0 million dated September 10, 2014	Quarterly principal repayment amounting to ₱13.6 million starting December 2017 until June 2021 and a lump sum payment of the remaining balance on September 10, 2021 and bears fixed interest of 4.50% subject to change as agreed by the parties	Suretyship agreement and MTI	380,000	380,000
₱1,500.0 million dated February 14, 2008 amended on February 6, 2012	Payable in 15 equal consecutive quarterly installments beginning November 5, 2014 until May 5, 2018 and bears fixed interest of 5.5%	Suretyship agreement and MTI	377	500
Others			700	822
			6,205,108	6,453,322
Unamortized transaction costs			(13,930)	(17,802)
Long-term, net of unamortized transaction costs			6,191,178	6,435,520
Current portion			(1,032,371)	(379,954)
			₱5,158,807	₱6,055,566

Suretyship Agreement and Mortgage Trust Indenture

In relation with the BDO Loan Facility, RHI, CADPI and CACI, entered into a Continuing Suretyship Agreement with BDO. Under this Agreement, BDO has the right to set-off the secured obligations in solidarity against all the borrowers' properties.

On February 14, 2008, RHI, CADPI, CACI and RBC entered into a separate Suretyship Agreement arising out of the Syndicated Loan Agreement with BPI, which warrants the due and faithful performance by the borrowers of all obligations due to the creditor banks, BPI and RCBC. The suretyship remains in full force and effect until full payment of the indebtedness under the Syndicated Loan Agreement. In addition, all liens of the creditor banks have rights of set-off in solidarity against the borrower's properties.

Loan Covenants

The foregoing loan agreements, except for the Syndicated Loan with DBP, are subject to certain covenants, such as but not limited to:

- maintenance of debt service coverage ratio (DSCR) of at least 1.25 times and debt-to-equity ratio of not more than 70:30;
- prohibition on purchase of additional equipment, except in pursuance of its sugar expansion and ethanol project, unless the required financial ratios are maintained;
- prohibition on any material change in ownership or control of its business or capital stock or in the composition of its top level management, unless the required financial ratios are maintained; and

- prohibition on declaration or payment of dividends or any other capital or other asset distribution to its stockholders, unless the required financial ratios are maintained.

As at June 30, 2017 and September 30, 2016, the Group is in compliance with the foregoing loan covenants, particularly on the required financial ratios.

The maturities of the long-term borrowings are as follows:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Less than one year	₱1,032,371	₱379,954
Between one to two years	1,828,968	968,130
Between two to five years	2,585,933	4,095,559
Between five to eight years	743,906	991,877
	₱6,191,178	₱6,435,520

12. Equity

The Company completed its stock rights offering in May 2016 for 266,753,974 outstanding common shares of RHI, with par value of ₱1.00 each, on a pre-emptive basis to holders of common shares of the capital stock of RHI as of May 4, 2016 (the "Record Date") at an offer price of ₱4.19 per Rights Share (the "Offer Price").

Details of capital stock and treasury stock follow:

	June 30, 2017 (Unaudited)		September 30, 2016 (Audited)	
	Number of Shares	Amount (in Thousands)	Number of Shares	Amount (in Thousands)
Authorized – common shares "Class A" at ₱1.0 par value	1,500,000,000	₱1,500,000	1,500,000,000	₱1,500,000
Issued:				
Balance at beginning of period	1,439,442,161	₱1,439,442	1,169,288,884	₱1,169,289
Issuances	–	–	270,153,277	270,153
Balance at end of period	1,439,442,161	1,439,442	1,439,442,161	1,439,442
Treasury stock	(17,643,480)	(52,290)	(17,643,480)	(52,290)
Issued and outstanding	1,421,798,681	₱1,387,152	1,421,798,681	₱1,387,152

On February 1, 2017, the BOD approved the issuance of convertible debt securities amounting to ₱523,750,000 to First Pacific Natural Resources Holdings, B.V. (FPNRHBV), convertible to 125,000,000 million common shares of RHI at the option of the holder and bears annual interest at 3%.

On February 15, 2017, the shareholders approved the amendment of the Parent Company's articles of incorporation to increase the authorized capital stock from 1,500,000,000 to 2,000,000,000 divided into 2,000,000,000 with par value of ₱1.00 per share. On February 17, 2017, FPNRHBV exercised its conversion rights in respect of the convertible debt securities to be issued out of the increase in authorized capital stock at a conversion rate of ₱4.19 for every common share, or a total of 125,000,000 new common shares.

The Company's application for increase in authorized capital stock using the convertible debt securities as payment for subscription was submitted to the SEC in April 2017.

13. Related Party Transactions and Balances

In the normal course of business, the Group has transactions with related parties as follows:

- a. The Group made advances to RHIRFI, CADPIRFI and CACIRFI for a portion of the retirement payments made to the Group's qualified retired employees under defined benefit plan. Advances to RHIRFI, CADPIRFI and CACIRFI are included in "Trade and other receivables" account.
- b. Due to related parties, which are presented as part of "Trade and other payables" account, represents noninterest-bearing payable arising from advances and rent of office space from CADPIRFI.
- c. RCBC, a creditor of CADPI and CACI, owns 34.5 million shares or 2.395% interest in RHI as at June 30, 2017 and September 30, 2016, respectively.

Outstanding balances of transactions with related parties are unsecured and settlements are made in cash. The Group did not recognize any provision for impairment for the nine-month periods ended June 30, 2017 and 2016. This assessment is undertaken each reporting period by reviewing the financial position of the related party and the market in which the related party operates.

14. Employee Stock Option Plans (ESOP)

The BOD of the Company approved the establishment of its first and second ESOP on May 8, 2013 and January 16, 2014, respectively. The ESOPs cover all employees of the Company and its subsidiaries, namely: CACI, CADPI and RBC, who have rendered at least six months of service at the time of grant. Employees are given the option to purchase the shares allocable to them over an exercise period of five years from the effectivity date of ESOP. The share options vest each year over the five-year term of ESOP. The offer price of the shares is based on the average quoted price during the 30-trading days prior to exercise date less a 15% discount. About 35.0 million and 30.0 million common shares of the Company's unissued shares have been initially reserved under the first and second ESOP, respectively.

Movements of the number of share options for the first and second ESOP are as follows:

	First ESOP		Second ESOP	
	June 30, 2017	September 30, 2016	June 30, 2017	September 30, 2016
Balance at beginning of year	16,110,376	25,484,628	24,460,832	36,256,323
Forfeited or expired	(2,268,519)	(6,142,744)	(2,677,040)	(11,478,188)
Exercised	-	(3,231,508)	-	(317,303)
Balance at end of year	13,841,857	16,110,376	21,783,792	24,460,832
Exercisable at end of year	8,283,730	10,109,015	10,774,638	6,340,876

In 2016, the Company issued 3.1 million and 317,303 common shares pertaining to the exercise of stock option of employees under First ESOP and Second ESOP, respectively, and amounting to ₱7.0 million (see Note 12). In 2015, the Company 312,459 common shares pertaining to the exercise of stock options of employees under First ESOP and amounting to ₱0.8 million. The weighted-average share price at the date of exercise for share options under the First ESOP and Second ESOP were ₱2.49 and ₱5.32, respectively.

The fair value of the First and Second ESOP was estimated at the date of grant using Black Sholes-Merton model with the following inputs as follows:

First ESOP

	Options Vesting After				
	Year One	Year Two	Year Three	Year Four	Year Five
Spot price	₱2.80	₱2.80	₱2.80	₱2.80	₱2.80
Strike price	₱2.49	₱2.49	₱2.49	₱2.49	₱2.49
Expected volatility	38.83%	39.10%	36.59%	39.61%	42.46%
Risk-free rate	2.71%	2.98%	3.29%	3.60%	3.36%
Dividend rate as a percentage of spot price	0.00%	0.00%	0.00%	0.00%	0.00%

Second ESOP

	Options Vesting After				
	Year One	Year Two	Year Three	Year Four	Year Five
Spot price	₱6.90	₱6.90	₱6.90	₱6.90	₱6.90
Strike price	₱5.32	₱5.32	₱5.32	₱5.32	₱5.32
Expected volatility	33.46%	39.77%	39.71%	37.65%	39.95%
Risk-free rate	2.86%	2.82%	3.15%	3.90%	3.38%
Dividend rate as a percentage of spot price	0.00%	0.00%	0.00%	0.00%	0.00%

The weighted average fair value of the share options granted in 2013 (First ESOP) and 2014 (Second ESOP) amounted to ₱0.9 and ₱3.0, respectively. The volatility rate is determined as the historical volatility of the returns on the stock over a period similar to the vesting period of the option.

The weighted average remaining contractual life of the outstanding stock options is 1.33 years as at September 30, 2016.

15. Revenue

The components of revenue are as follows:

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)
Refined sugar	₱2,854,999	₱3,501,129
Alcohol	2,413,934	3,232,362
Raw sugar	2,173,160	3,218,969
Molasses	290,735	248,141
Power	23,095	22,135
Others	211,241	233,484
	₱7,967,164	₱10,456,220

16. Cost of Goods Sold

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)
Direct materials used	₱2,860,065	₱5,307,335
Planters' subsidy and productivity assistance	989,429	1,362,409
Depreciation and amortization	801,095	631,503
Fuel and oil	549,280	879,341
Repairs and maintenance	443,186	368,451
Personnel costs	385,338	267,592
Outside services	274,256	78,790
Rent	155,285	134,291
Taxes and licenses	127,353	95,875
Communication, light and water	100,457	75,279
Insurance	27,894	39,425
Others	202,210	370,647
	₱6,915,848	₱9,610,938

17. Operating Expenses

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)
General and administrative expenses	₱623,613	₱687,798
Selling expenses	50,447	26,813
	₱674,060	₱714,611

General and Administrative Expenses

The components of general and administrative expenses are as follows:

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)
Personnel costs	₱289,077	₱243,933
Outside services	81,179	114,860
Taxes and licenses	49,650	74,281
Depreciation and amortization	42,357	52,621
Rent	21,192	10,313
Communication, light and water	18,762	15,143
Transportation and travel	16,157	40,237
Insurance	10,278	26,749
Repairs and maintenance	9,867	11,917
Others	85,094	97,744
	₱623,613	₱687,798

Others mainly pertain to cost incurred for organizational activities, corporate social responsibility, office supplies among others.

Selling expenses mainly pertains to sugar liens and dues and monitoring fees paid to various regulatory agencies prior to sale of sugar.

18. Personnel Costs

The amount of personnel costs are allocated as follows:

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)
Costs of goods sold	₱385,338	₱267,592
General and administrative expenses	289,077	243,933
	₱674,415	₱511,525

19. Other Income

This account consists of:

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)
Storage, handling and insurance fees	₱38,329	₱12,841
Sales of scrap	3,783	10,281
Interest income	722	8,173
Rent income	643	9,014
Others	33,653	33,439
	₱77,130	₱73,748

20. Financial Instruments

Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise of cash in banks, trade and other receivables, and trade and other payables, which arise directly from its operations, and short and long-term borrowings. The Group has other financial instruments such as dividends payable.

The main risks arising from the Group's financial instruments are liquidity risk, credit risk and interest rate risk. The Group monitors the market price risk arising from all financial instruments. The Group's operations are also exposed to commodity price risk, particularly from sugar prices. Risk management is carried out by senior management under the guidance and direction of the BOD of the Parent Company.

Liquidity risk

Liquidity risk arises from the possibility that the Group may encounter difficulties in raising funds to meet maturing obligations.

The Group's objective is to maintain sufficient cash and cash in banks and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature

of the business, the Group aims to maintain flexibility in funding by keeping track of daily cash flows and maintaining committed credit lines available.

The tables below summarize the maturity profile of the Group's financial liabilities based on contractual undiscounted payments and the related financial assets used for liquidity management.

June 30, 2017 (Unaudited)							
	On Demand	Less than One Year	Over One to Two Years	Over Two to Four Years	Over Four to Five Years	Over Five Years	Total
Short-term borrowings*	P4,799,897	P-	P-	P-	P-	P-	P4,799,897
Convertible debt securities	523,750	-	-	-	-	-	523,750
Trade and other payables**	244,028	1,587,267	-	-	-	-	1,831,295
Current portion of long-term borrowings*	-	1,305,704	-	-	-	-	1,305,704
Noncurrent portion of long-term borrowings*	-	-	2,028,076	1,808,568	1,052,157	785,871	5,674,672
	P5,567,675	P2,892,971	P2,028,076	P1,808,568	P1,052,157	P785,871	P14,135,318
Cash in bank	P397,538	P-	P-	P-	P-	P-	P397,538
Trade receivables***	432,447	823,967	-	-	-	-	1,256,414
Due from planters and cane haulers***	-	34,032	-	-	-	-	34,032
Due from employees***	-	68,730	-	-	-	-	68,730
Due from related parties	55,235	-	-	-	-	-	55,235
Other receivables***	-	8,264	-	-	-	-	8,264
	P885,220	P934,993	P-	P-	P-	P-	P1,820,213

*Including expected future interest payments for short-term and long-term borrowings amounting to P113.3 million and P789.2 million, respectively.

** Excludes payables to government agencies amounting to P65.2 million and provision for losses amounting to P22.0 million.

***Net of related allowances for impairment losses totaling P86.6 million.

September 30, 2016 (Audited)							
	On Demand	Less than One Year	Over One to Two Years	Over Two to Four Years	Over Four to Five Years	Over Five Years	Total
Short-term borrowings*	P3,137,939	P-	P-	P-	P-	P-	P3,137,939
Trade and other payables**	769,981	249,862	-	-	-	-	1,019,843
Current portion of long-term borrowings*	-	603,536	-	-	-	-	603,536
Noncurrent portion of long-term borrowings*	-	337,103	1,747,133	2,706,374	1,267,909	1,000,901	7,059,420
	P3,907,920	P1,190,501	P1,747,133	P2,706,374	P1,267,909	P1,000,901	P11,820,738
Cash in banks	P703,910	P-	P-	P-	P-	P-	P703,910
Trade receivables***	516,194	334,041	-	-	-	-	850,235
Due from planters and cane haulers***	122,166	87,069	-	-	-	-	209,235
Dividend receivable	102,492	-	-	-	-	-	102,492
Due from employees***	45,181	13,091	-	-	-	-	58,272
Due from related parties	21,956	15,569	-	-	-	-	37,525
Other receivables***	39,497	28,464	-	-	-	-	67,961
	P1,551,396	P478,234	P-	P-	P-	P-	P2,029,630

*Includes expected future interest payments for short-term and long-term borrowings amounting to P223.6 million and P623.9 million, respectively.

** Excludes payables to government agencies amounting to P30.1 million and provision for losses amounting to P22.0 million.

***Net of related allowances for impairment losses totaling P86.5 million.

Credit risk

Credit risk is the risk that the Group will incur financial loss through default by counterparties in performing their obligations.

Concentration of credit risk with respect to trade receivables is limited due to the large number of customers comprising the Group's customer base and their dispersion across different geographic areas. It has policies in place to ensure that sales of goods are made to customers with an appropriate credit history.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions.

Counterparty credit limits are established by the use of a credit risk classification system, which assigns each counterparty a qualitative risk rating. Risk ratings are subject to regular revision. The credit quality review process allows the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Maximum exposure to credit risk without taking account of any collateral and other credit enhancements

The table below shows the maximum exposure to credit risk of the Group shown at gross before the effect of mitigation through collateral agreements.

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Cash in banks	₱397,538	₱703,910
Trade receivables*	1,256,414	850,235
Due from employees*	68,729	58,272
Due from planters and cane haulers*	34,032	209,235
Due from related parties	55,235	37,525
Dividend receivable	—	102,492
Other receivables*	8,264	67,961
	₱1,820,212	₱2,029,630

*Net of allowance for impairment losses totaling ₱86.6 million and ₱86.5 million as at June 30, 2017 and September 30, 2016, respectively.

Collaterals and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters. As at June 30, 2017 and September 30, 2016, the Group did not hold collateral from any counterparty.

Credit quality per class of financial assets

The credit quality of receivables is managed by the Group through its Marketing Department. High grade accounts are those receivables from counterparties with whom collections are made without much collection effort. Standard grade accounts consist of receivables from its distributors, related parties and employees with good financial condition and with relatively low defaults. Substandard grade accounts, on the other hand, are receivables from other counterparties with history of defaulted payments.

The tables below show the credit quality of financial assets which are neither past due nor impaired and an aging analysis of past due but not impaired accounts.

	June 30, 2017 (Unaudited)							
	Neither past due nor impaired			Past due but not impaired				Total
	High Grade	Standard Grade	Substandard Grade	Over 30 Days	Over 90 Days	Over 180 Days	Impaired	
Cash in banks	₱397,538	₱—	₱—	₱—	₱—	₱—	₱—	₱397,538
Trade receivables	674,472	273,204	—	144,701	—	164,037	55,825	1,312,239
Due from planters and cane haulers	—	34,032	—	—	—	—	30,569	64,601
Due from employees	—	68,729	—	—	—	—	181	68,910
Due from related parties	—	55,235	—	—	—	—	—	55,235
Other receivables	—	—	—	—	—	8,264	—	8,264
Total	₱1,072,010	₱431,200	₱—	₱144,701	₱—	₱172,301	₱86,575	₱1,906,787

	September 30, 2016 (Audited)							
	Neither past due nor impaired			Past due but not impaired				Total
	High Grade	Standard Grade	Substandard Grade	Over 30 Days	Over 90 Days	Over 180 Days	Impaired	
Cash in banks	₱703,910	₱—	₱—	₱—	₱—	₱—	₱—	₱703,910
Trade receivables	19,489	35,731	—	211,483	178,075	405,387	39,246	889,411
Due from planters and cane haulers	—	41,991	—	56,041	86,876	37,233	24,837	246,978
Dividend receivable	102,492	—	—	—	—	—	—	102,492
Due from employees	—	16,696	—	11,302	30,891	—	116	59,005
Due from related parties	—	18,074	—	12,910	6,541	—	—	37,525
Other receivables	—	33,797	—	—	1,127	19,584	22,311	76,819
Total	₱825,891	₱146,289	₱—	₱291,736	₱303,510	₱462,204	₱86,510	₱2,116,140

Impairment assessment

The main consideration for impairment assessment includes whether there are known difficulties in the cash flow of the counterparties. The Group assesses impairment in two ways: individually and collectively.

First, the Group determines allowance for each significant receivable on an individual basis. Among the items that the Group considers in assessing impairment is the inability to collect from the counterparty based on the contractual terms of the receivables. Receivables included in the specific assessment are the accounts that have been endorsed to the legal department, non-moving accounts receivable and other accounts of defaulted counterparties.

For collective assessment, allowances are assessed for receivables that are not individually significant and for individually significant receivables where there is no objective evidence of individual impairment. Impairment losses are estimated by taking into consideration the age of the receivables, past collection experience and other factors that may affect their collectibility.

Commodity price risk

The Group is exposed to commodity price risk from conventional physical sales and purchase of sugar managed through volume, timing and relationship strategies. The Group does not enter into commodity derivatives.

The Group's sales commitments are contracted at fixed prices, and thus have no impact on the consolidated cash flows in the next 12 months.

Interest rate risk

The primary source of the Group's interest rate risk relates to financial liabilities which bear floating interest rates amounting to ₱104.9 million and ₱356.3 million as at June 30, 2017 and September 30, 2016, respectively.

Interest on financial liabilities with fixed interest rate is fixed until the maturity of the instrument.

The other financial instruments of the Group are noninterest-bearing and are therefore not subject to interest rate risk.

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains strong credit and healthy capital ratios in order to support its business and maximize shareholder value.

The Group's dividend declaration is dependent on availability of earnings and operating requirements. The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for the periods ended June 30, 2017 and September 30, 2016.

Management considers the total consolidated equity reflected in the consolidated statement of financial position as its capital. The Group monitors its use of capital using leverage ratios, specifically, debt-to-equity ratio. It also monitors its DSCR to ensure that there would be sufficient amount of cash flow available to meet annual interest and principal payments on debt.

The Group is required to maintain a maximum debt-to-equity ratio of 2.33:1 and minimum DSCR of 1.25:1 by its creditor banks. The Group has the following debt-to-equity ratio:

	June 30, 2017 (Unaudited)	September 30, 2016 (Audited)
Total liabilities	₱14,863,722	₱11,884,405
Total equity	9,951,406	9,773,619
Total liabilities and equity	₱24,815,128	₱21,658,024
Debt-to-equity ratio	1.49:1.00	1.22:1.00

Fair Values

The following is a comparison by category of carrying amounts and fair values of the Group's financial instruments that are reflected in the consolidated financial statements:

	June 30, 2017 (Unaudited)		September 30, 2016 (Audited)	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Cash on hand	₱49,354	₱49,354	₱612	₱612
Loans and receivables:				
Cash in banks	397,538	397,538	703,910	703,910
Trade receivables*	1,256,414	1,256,414	952,727	952,727
Due from planters and cane haulers*	34,032	34,032	209,235	209,235
Due from employees*	68,729	68,729	58,272	58,272
Due from related parties	55,235	55,235	37,525	37,525
Dividend receivable	—	—	102,492	102,492
Others receivables*	8,264	8,264	67,961	67,961
	₱1,869,566	₱1,869,566	₱2,132,734	₱2,132,734
Financial Liabilities				
Other financial liabilities:				
Short-term borrowings	₱4,686,574	₱4,686,574	₱2,914,339	₱2,914,339
Convertible debt securities	523,750	523,750		
Trade and other payables**	1,831,295	1,831,295	1,019,843	1,019,843
Long-term borrowings	6,191,178	6,336,239	6,435,520	6,397,320
	₱13,232,797	₱13,377,858	₱10,369,702	₱10,331,502

*Net of related allowance for impairment losses totaling ₱86.6 million and ₱86.5 million as at June 30, 2017 and September 30, 2016, respectively.

**Excludes payables to government agencies amounting to ₱65.1 million and ₱30.1 million as at June 30, 2017 and September 30, 2016, respectively, and provision for losses amounting to ₱22.0 million as at June 30, 2017 and September 30, 2016.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments.

Cash and cash equivalents, trade receivables, due from planters and cane haulers, dividend receivable, due to and from related parties, due from employees, dividends receivable, other receivables, trade and other payables, short-term borrowings, current portion of long-term borrowings and dividends payable. The carrying amounts of these instruments approximate fair values due to their short-term maturities.

Long-term borrowings. Fair values of long-term borrowings as at June 30, 2017 and September 30, 2016 were determined based on Level 2 in which the inputs are based on the discounted interest rate of the prevailing comparable instrument in the market.

21. Segment Reporting

The Group has three reportable segments: sugar, alcohol and others. The Group's sugar segment consists of four operating subsidiaries: CADPI, CACI, NAVI and RABDC that manufactures and sells raw and refined sugar, molasses and provides tolling and farm operations services. The alcohol segment consists of two operating subsidiaries: RBC and SCBI that manufactures and sells bioethanol fuel. Other segments of the Group, pertain mainly to manufacture and sale of power and CO₂, holding companies, and subsidiaries with no operations yet.

The Group has only one geographical segment as all of its assets are located in the Philippines. The Group operates and derives principally its revenue from domestic operations. Thus, geographical business information not required.

The Group's senior management regularly reviews the operating results of the business units to make decisions on resource allocation and assess performance. Segment revenue and segment expenses are measured in accordance with PFRS. The presentation and classification of segment revenue and segment expenses are consistent with the consolidated statements of income.

The following tables present information about the Group's operating segments:

	Nine-Month Period Ended June 30, 2017 (Unaudited)				
	Sugar	Alcohol	Others	Eliminations	Consolidated
Revenue:					
External customers	₱5,924,798	₱2,032,003	₱10,363	₱-	₱7,967,164
Inter-segment	1,491,222	1,099,514	18,881	(2,609,617)	-
Cost of goods sold:					
Depreciation and amortization	610,720	181,093	9,282		801,095
Repairs and maintenance	380,245	59,956	2,985		443,186
Fuel and oil	249,662	299,140	478		549,280
Materials and consumables	72,592	11,473	6,877		90,942
Interest expense	278,263	2,149	44,017	(2,310)	322,119
	Nine-Month Period Ended June 30, 2016 (Unaudited)				
	Sugar	Alcohol	Others	Eliminations	Consolidated
Revenue:					
External customers	₱7,037,851	₱3,416,776	₱1,593	₱-	₱10,456,220
Inter-segment	1,527,891	31,419		(1,559,310)	-
Cost of goods sold:					
Fuel and oil	438,301	440,296	744	-	879,341
Depreciation and amortization	473,481	153,475	-	4,547	631,503
Materials and consumables	242,833	75,543	22	-	318,398
Repairs and maintenance	312,054	55,369	1,028	-	368,451
Interest expense	208,393	48,905	60,531	(26,755)	291,074

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

The following Management Discussion and Analysis should be read in connection with the submitted Unaudited Condensed Interim Consolidated Financial Statements as at and for nine-month periods ended June 30, 2017 and 2016.

Financial Highlights and Key Performance Indicators

<i>Amounts in Millions except Shares</i>	June 30, 2017	September 30, 2016	Increase (Decrease)	
	(Unaudited)	(Audited)	Amount	%
Balance Sheet				
Fixed assets	₱14,960	₱14,691	₱269	2%
Goodwill	1,080	1,080	—	—
Total assets	24,815	21,658	3,157	15%
Shareholders' equity	9,951	9,774	177	2%
Net debt ⁽¹⁾	10,431	8,645	1,786	21%
Equity ratio	40.10%	45.13%	(5.03)	(11%)
Net debt as % of equity	1.05x	0.88x	0.17	19%
Shares				
Market capitalization	7,109	4,820	2,289	48%
Total shares issued	1,422	1,422	—	—
Closing price per share	5.00	3.39	1.61	48%

<i>Amounts in Millions except Operational Data</i>	Nine Months Ended June 30 (Unaudited)		Increase (Decrease)	
	2017	2016	Amount	%
Revenue and Earnings				
Revenue	₱7,967	₱10,456	(₱2,489)	(24%)
Gross profit	1,051	845	206	24%
Depreciation	688	680	8	1%
Operating expenses	674	715	(41)	6%
Interest expense	322	291	31	11%
Net income	175	75	100	133%
EBITDA	1,212	994	218	22%
EBITDA margin ⁽²⁾	15%	9.6%	5.4	56%
Return on equity	2%	1%	1	100%
Income per share	0.12	0.06	0.06	100%
Cash Flow and Investments				
Cash flow used in operations	(1,290)	(312)	(978)	(313%)
Investment in fixed assets	957	682	268	39%
Operational Data (volume in thousands)				
Tons cane milled	3,461	2,748	713	26%
Production:				
Raw sugar (Lkg)	6,497	5,102	1,395	27%
Refined sugar (Lkg)	2,640	2,816	(176)	(6%)
Ethanol (liters)	50,880	54,769	(3,889)	(7%)

(1) Net debt is derived by deducting cash and cash equivalents from total debt (short-term borrowings and long-term debt, including current portion).

(2) EBITDA margin for the period is measured as EBITDA divided by revenues.

The Group's financial performance is determined to a large extent by the following key results:

1. Raw sugar production – a principal determinant of consolidated revenues and is computed as the gross amount of raw sugar output of CADPI and CACI as consolidated subsidiaries.
2. Refined sugar production – the most important determinant of revenues and computed as the gross volume of refined sugar produced by the CADPI refinery both as direct sales to industrial customers and traders or as tolling manufacturing service, limited by production capacity and by the ability of the Group to market its services to both types of customers.
3. Ethanol production – a measure of ethanol production yield compared to unit and cost of input and is computed as ethanol produced (in liters) from each ton of molasses undergoing distillation and dehydration processes.
4. Earnings before interest, taxes, depreciation and amortization (EBITDA) – the measure for cash income from operations and computed as the difference between revenues and cost of sales and operating and other expenses, but excluding finance charges from loans, income taxes and adding back allowances for depreciation and other non-cash amortization.
5. Return on equity – denotes the capability of the Group to generate returns on the shareholders' funds computed as a percentage of net income to total equity.

Company Overview

Roxas Holdings, Inc. (RHI), a sugar and energy company, is the largest integrated sugar business and the biggest ethanol producer in the Philippines. The Company started operating as a sugar milling company in Nasugbu, Batangas in 1927 and was then known as Central Azucarera Don Pedro. The Company's subsidiaries include the following:

- Central Azucarera Don Pedro, Inc. (CADPI), located in Batangas, provides the refined sugar requirements of traders and industrial customers such as multinational food and beverage and pharmaceutical companies in Luzon.
- Central Azucarera de La Carlota, Inc. (CACI), based in La Carlota City, Negros Occidental where there is substantial sugar activity and also near the port for export, meets the raw sugar requirements of customers in the Visayas.
- Roxol Bioenergy Corporation (RBC), also based in La Carlota City, Negros Occidental, is the bioethanol unit of RHI. It operates as a standalone ethanol production facility.
- San Carlos Bioenergy, Inc. (SCBI), located at San Carlos Ecozone, Barangay Palampas and Punao, San Carlos City, Negros Occidental, operates integrated sugar mill and bioethanol distillery complex.
- Najalin Ventures, Inc. (NAVI), based in Negros Occidental, is engaged in agricultural and industrial development.
- RHI Agri-Business Development Corporation (RHIADC), located in Batangas City, manages and operates agricultural land and planting and cultivation of sugar cane and other farm products, has started commercial operations as at September 30, 2016.

RHI also holds 45% stake in affiliate Hawaiian-Philippine Company in Silay, Negros Occidental.

Results of Operations

Revenues

<i>Amounts in Millions</i>	Nine Months Ended June 30		Increase (Decrease)	
	2017	2016	Amount	%
Refined sugar	₱2,855	₱3,501	(₱646)	(18%)
Raw sugar	2,173	3,219	(1,046)	(33%)
Molasses	291	248	43	17%
Tolling fees	201	228	(27)	12%
	5,520	7,196	(1,676)	(23%)
Alcohol	2,414	3,232	(818)	(25%)
Others	33	28	5	18%
	₱7,967	₱10,456	(₱2,489)	(24%)

Consolidated revenues for the nine months ended June 30, 2017 amounted to ₱7,967 million, ₱2,489 million or 24% lower than the ₱10,456 consolidated revenue reported in the same period in 2016, primarily due to lower average selling price of sugar and alcohol and decreased volumes lifted from the set local monthly ethanol allocation by oil companies.

Sugar – Revenue from sugar operations decreased by ₱1,676 million or 23% against last year's revenue of ₱7,196 million, primarily due to decreases in volume sold and average selling prices of raw and refined sugar. Raw sugar sales volume decreased by 181 Lkg or 10% this year from 1,778 Lkg in 2016 while refined sugar sales volume decreased by 133 Lkg or 8% versus last year's sales volume of 1,642 Lkg. Average selling prices per Lkg of raw and refined sugar in 2017 amounted to ₱1,361 and ₱1,892, respectively, from ₱1,810 and ₱2,132 in 2016, respectively.

Alcohol – Revenue from alcohol operations amounted to ₱2,414 million and ₱3,232 million in 2017 and 2016, respectively. The decrease of ₱818 million or 25% is due to lower volume sold in 2016 by 11 million liters.

Other income – Other revenues pertains to sale of power and CO₂ of SCBI, rental income of NAVI and sale of sugar cane and farm services of ADC.

Gross Profit

The Group's gross profit for the nine months ended June 30, 2017 amounting to ₱1,051 million is ₱206 million or 24% higher than the ₱845 million in 2016 and the consolidated gross profit rate increased to 13.2% in 2017 from 8.08% in 2016. The increase in gross profit is attributable to sugar operation's lower manufacturing cost resulting from increased production volume due to plant efficiencies from continuous capital expenditures and increased ton canes milled from improved partnerships with planters.

Sugar –The sugar operation's gross profit of ₱965 million is up by ₱300 million or, 45% from ₱665 million reported in the same period in 2016 and gross profit rate also increased to 17% in 2017 from 7.76% in 2016 due to increased production volume consequently decreasing manufacturing cost per unit. In 2017, the Group managed to increase canes milled to 3,461 million tons from 2,748 million tons in 2016 increasing raw sugar production to 6,497 million 50 lkg from 5,102 million 50 lkg in 2016 due to mill operating efficiencies and partnership with the planters. Refining operations for 2017 were started at a later time, resulting to a decrease in refined sugar production to 2,640 million 50 lkg from 2,816 million 50 lkg in 2016.

Alcohol – The gross profit of alcohol for the nine months ended June 30, 2017 amounted to ₱147 million, 24% down from ₱194 million in the same period in 2016. Ethanol production for the nine months ended June 30, 2017 of 50.9 million liters is lower by 3.8 million liters or 7% of the 54.7 million liters production in 2016.

Operating Expenses

<i>Amounts in Millions</i>	Nine Months Ended June 30		Increase (Decrease)	
	2017	2016	Amount	%
Salaries, wages and other employee benefits	₱289	₱244	₱45	18%
Outside services	81	115	(34)	(30%)
Taxes and licenses	50	74	(24)	(32%)
Selling expenses	50	27	23	85%
Depreciation and amortization	42	53	(11)	(21%)
Professional fees	25	24	1	4%
Rent	21	10	11	110%
Communication, light and water	19	15	4	27%
Transportation and travel	16	40	(24)	(60%)
Insurance	10	27	(17)	(63%)
Repairs and maintenance	10	12	(2)	(17%)
Others	61	74	(13)	(18%)
	₱674	₱715	(₱41)	(6%)

Consolidated operating expenses for the nine months ended June 30, 2017 decreased by ₱41 million or 6% compared to the same period in 2016.

Interest

Interest expense amounted to ₱322 million for the nine months ended June 30, 2017, which is 10.65% or ₱31 million higher than the ₱291 million reported in the same period in 2016, due to short-term loans availed in 2017.

Share in Net Earnings of an Associate

Share in net earnings of an associate amounted to ₱70 million for the nine months ended June 30, 2017, which is ₱35 million or 33% lower than ₱105 million reported in 2016, due to lower net income of Hawaiian-Philippine Company arising from the decrease in market prices of sugar.

Net Income

Consolidated net income for the nine months ended June 30, 2017 amounted to ₱175.4 million, which is ₱100.3 million or 134% higher than the ₱75 million reported in the same period in 2016. The increase is due to the decrease in manufacturing costs and operating expenses. Earnings per share is ₱0.12 for the nine months ended June 30, 2017, 100% higher than the ₱0.06 earnings per share in 2016.

EBITDA

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) amounted to ₱1,212 million for the nine months ended June 30, 2017, which is ₱218 million or 22% higher than ₱994 million reported in the same period in 2016.

Financial Condition

Consolidated total assets as at June 30, 2017 amounted to ₱24,815 million, which is ₱3,157 million or 15% higher than the ₱21,658 million as at September 30, 2016. Current assets went up by 66% or ₱2,944 million from ₱4,484 million as at September 30, 2016 to ₱7,428 million as at June 30, 2017. Receivables increased by ₱91.6 million due to the change in customer demographics from traders to institutional accounts. Inventories, on the other hand, increased by ₱2,878 million in 2017 as the Group opted to preserve its raw sugar mill share for later refining and sale to maximize profitability.

During the nine months ended June 30, 2017, the Group availed of ₱4,989 million short-term loans and repaid a total of ₱286 million in long-term borrowings.

Trade and other payables amounted to ₱1,918 million as at June 30, 2017, which is ₱846 million higher than ₱1,072 million as at September 30, 2016.

Off-Balance Sheet Arrangements

The Group is not aware of any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.

OTHER INFORMATION

1. New projects or investments in another project, line of business or corporation;
None for the period.

2. Composition of Board of Directors;

Name	Position
PEDRO E. ROXAS	Chairman
MANUEL V. PANGILINAN	Vice Chairman
HUBERT D. TUBIO	President and CEO
CHRISTOPHER H. YOUNG	Director
RAY C. ESPINOSA	Director
ALEX ERLITO S. FIDER	Director
SANTIAGO R. ELIZALDE	Director
OSCAR J. HILADO	Independent Director
DAVID L. BALANGUE	Independent Director

3. Performance of the corporation or result or progress of operations;

See interim condensed consolidated financial statements and management's discussion and analysis of results of operations and financial conditions

4. Suspension of operations; **None for the period**
5. Declaration of dividends; **None for the period**
6. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements; **None for the period**
7. Financing through loans; **None for the period**
8. Offering of rights, granting of Stock Options and corresponding plans therefore; **None for the period**
9. Acquisition of other capital assets or patents, formula or real estates; **None for the period**
10. Any other information, event or happening that may affect the market price of the Company's shares; **None for the period**
11. Transferring of assets, except in the normal course of business; **None for the period**

SIGNATURE

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

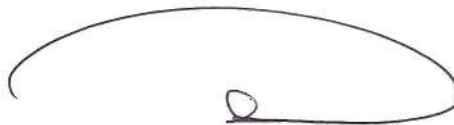
Registrant

ROXAS HOLDINGS, INC.
(formerly CENTRAL AZUCARERA DON PEDRO)

Signature and Title:



FLORENCIO M. MAMAUAG, JR
Compliance Officer, Chief Information Officer,
Asst. Corp. Secretary, VP Legal



CELSO T. DIMARUCUT
EVP - Chief Financial Officer

August 9, 2017

ROXAS HOLDINGS, INC. AND SUBSIDIARIES

ANNEX A. AGING OF TRADE AND OTHER RECEIVABLES

AS AT JUNE 30, 2017

(Amounts in Thousands)

	Current	Past due but not impaired			Subtotal	Impaired	Total
		1-30 days	31-60 days	Over 60 days			
Trade	₱805,803	₱141,872	₱106,296	₱202,444	₱450,612	₱55,825	₱1,312,240
Due from:							
Planters	34,032	—	—	—	—	30,569	64,601
Employees	68,729	—	—	—	—	181	68,910
Related parties	55,235	—	—	—	—	—	55,235
Other receivables	—	—	—	8,264	8,264	—	8,264
	₱963,799	₱141,872	₱106,296	₱210,708	₱458,876	₱86,575	₱1,509,250

ROXAS HOLDINGS, INC. AND SUBSIDIARIES
ANNEX B. FINANCIAL SOUNDNESS INDICATORS
JUNE 30, 2017 AND 2016
(Amounts in Thousands)

		June 30	
		2017	2016
Current ratio	Current assets/Current liabilities	0.91	0.73
Debt to equity ratio	Total liabilities/Total equity	1.49	1.29
Asset to equity ratio	Total assets/Total equity	2.49	2.29
Return on assets	Net income/Total assets	0.71%	0.34%
Return on equity	Net income/Total equity	1.76%	0.78%
Book value per share	Total equity/Outstanding shares	7.00	6.79