

COVER SHEET

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S.E.C. Registration Number

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P.S.E. Control Number

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(Company's Full Name)

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(Business Address: No. Street City/Town Province)

Joan A. Giduquio-Baron

Contact Persons

(032) 232-0283, 234-2256 and 234-2285

Telephone Number of the Contact Person

0	3
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Month
Fiscal Year

3	1
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Day

SEC FORM 17-Q

FORM TYPE

0	3
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Month

3	1
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Day

N/A

Secondary license Type, If Applicable

C	F	D
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Dept. Requiring this Doc.

1,418

Total No. of Stockholders

1,023,262,004

Domestic

194,694

Foreign

Amended Articles Number/Section

To be accomplished by SEC Personnel concerned

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File Number

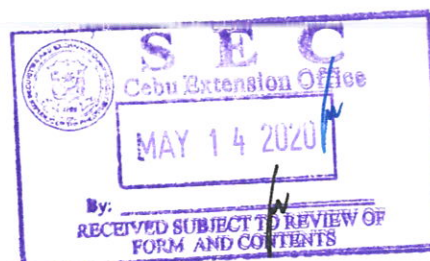
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended: **March 31, 2020**

2. Commission identification number: **175222**

3. BIR Tax Identification No.: **242-603-734-000**

Vivant Corporation

4. Exact name of issuer as specified in its charter

City of Mandaluyong

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

**9th Floor, Oakridge IT Center 3, Oakridge Business Park, A.S. Fortuna Street,
Brgy. Banilad, Mandaue City, Cebu**

6014

7. Address of issuer's principal office

Postal Code

(032) 234-2256; (032) 234-2285

8. Issuer's telephone number, including area code

**907-908 Ayala Life-FGU Center, Mindanao Avenue corner Biliran Road, Cebu Business Park,
Mindanao Ave. cor Biliran Road, Brgy. Luz, Cebu City**

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the SRC

Title of each Class

Number of shares of common
stock outstanding and amount
of debt outstanding

**Common Shares at Php 1.00 per share
Amount of debt outstanding**

**Php 1,023,456,698
Php 5,774,401,338**

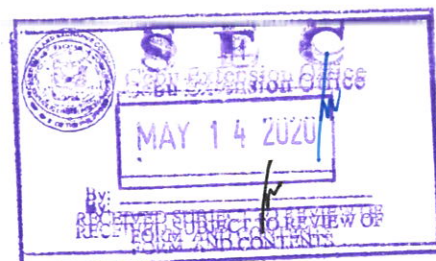
11. Are any or all of the securities listed on a Stock Exchange?

Yes ☒ No ☐

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange

Common Stock



12. Indicate by check mark whether the registrant:

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

Yes ☒ No ☐

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

Yes ☒ No ☐

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please refer to attached financial statements and schedules.

Item 2. Management's Discussion and Analysis of Consolidated Financial Condition and Results of Operations.

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

The following is a discussion and analysis of the Company's consolidated financial condition and results of operations for the interim period ended March 31, 2020 compared with the interim period ended March 31, 2019. This report should be read in conjunction with the consolidated financial statements and the notes thereto.

KEY PERFORMANCE INDICATORS

Management uses the following key performance indicators to evaluate the performance of the Company and its investee companies:

1. **Equity in Net Earnings (or Loss) of Associates.** Equity in net earnings (or loss) of associates is the Company's share in the income or loss of associates, or investee companies accounted for under the equity method. It indicates the profitability of the associates and measures their contribution to the profitability of the parent.
2. **Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).** EBITDA is calculated by taking operating income and adding back to it the interest, depreciation and amortization expenses. Since EBITDA eliminates the effects of financing and accounting decisions, it can provide a relatively good comparison of the performance of the Company with other players in the industry. It also provides a good measure of the Company's ability to generate cash from operations to cover financial charges and income taxes.

3. **Cash Flow Generated.** Cash flow generated indicates the ability of the Company to generate enough cash for operating, investing and financing activities.
4. **Debt-to-Equity Ratio (DER).** DER gives an indication of the Company's leverage position and is computed by dividing total liabilities with total stockholders' equity.
5. **Current Ratio.** Current ratio is computed by dividing current assets by current liabilities. This indicates the liquidity of the Company in the short term and measures the peso amount of current asset available to cover a peso amount of current liability.

Year-to-Date (YTD) March 31, 2020 versus YTD March 31, 2019

The table below shows the comparative figures of the key performance indicators for the period in review.

Key Performance Indicators <i>Amounts in Php '000, except for ratios</i>	YTD March 2020	YTD March 2019	YE 2019 Audited
Equity in Net Earnings of Associates and Joint Ventures	493,673	473,395	
EBITDA	423,578	581,040	
Cash Flows From / (Used)	514,654	569,679	
Net cash flows from (used in) operating activities	(118,067)	203,090	
Net cash flows from investing activities	833,122	460,696	
Net cash flows used in financing activities	(200,401)	(94,107)	
Debt-to-Equity Ratio (x)	0.38	0.43	0.41
Current Ratio (x)	1.42	6.08	3.42

The Company's share in net earnings of associates and joint ventures as of end-March 2020 amounted to Php 493.7 mn, representing a 4% year-on-year (YoY) increase from Php 473.4 mn. This was a result of the following:

1. Visayan Electric Company (VECO), the Company's distribution utility, recorded a 5% YoY growth in its bottomline contribution, from Php 202.6 mn to Php 212.5 mn. This was on the back of higher volume sold during the quarter in review (up by 8% YoY).
2. 40%-owned Minergy Power Corporation (MPC) brought in contributions of Php 146.7 mn during the period in review, a 5% YoY increase from Php 140.4 mn. This can be mainly attributed to the rise in the volume of energy sales (up by 8% YoY) and lower repairs. Reduction in interest expense, which resulted from debt repayments in 2019, also contributed to the positive variance.
3. 40%-owned Abovant Holdings, Inc. (AHI) posted a 7% YoY improvement in its income contribution to Php 77.3 mn from Php 71.9 mn. This was driven by the enhanced profitability of its associate, Cebu Energy Development Corporation (CEDC). The enhancement in CEDC's performance during the period in review was mainly on account of a 9% YoY rise in energy sales volume and lower interest expense.
4. 50%-owned Delta P, Inc. (DPI) shored in an income contribution of Php 25.0 mn as of end-March 2020, a 59% YoY rise from Php 15.8 mn. This strong showing was attributed to the 44% YoY expansion in energy sales volume. One unit of the company's old plant facility caught fire in February 2019, which resulted to a temporary shutdown of said unit during the same quarter last year.

5. 50%-owned Calamian Islands Power Corp (CIPC) saw a 131% YoY expansion in its income contribution. This was mainly attributed to higher volume sold (up by 14% YoY), coupled with the deferral of scheduled maintenance work and lower operating expenses.

The above enhancements in earnings contributions were tempered by the following:

1. 40%-owned Cebu Private Power Corporation (CPPC) recorded a 5% YoY drop in earnings contribution to Php 42.6 mn from Php 45.0 mn, resulting from lower revenues generated from the sale of its excess capacity to the Wholesale Electricity Spot Market (WESM).
2. 20%-owned Therma Visayas, Inc. (TVI) posted a 226% increase in net loss contribution during the period in review. TVI incurred costs of replacement power during its scheduled maintenance work in the first quarter of 2020. Adding to this was the incurrence of interest expense on its debt. In the same period last year, interest expense was capitalized prior to the start of commercial operations of Unit 1 in April 2019.
3. 40%-owned Prism Energy, Inc. (Prism Energy), a Retail Electricity Supplier (RES) saw a 55% YoY decline in its income contribution to Php 2.5 mn from Php 5.5 mn. This was attributed to the drop in contracted capacities and lower price per kilowatt hour.

EBITDA for the period dropped by 27% YoY to Php 423.6 mn from Php 581.0 mn. This was mainly an outcome of the 29% YoY decrease in operating income, which stemmed from:

1. A 45% reduction in the sale of power, which mainly resulted from the 17% YoY contraction of energy sales in 55.2%-owned 1590 Energy Corporation (1590 EC). Also, wholly owned Vivant Energy Corporation (VEC) had no energy sales during the quarter in review after the termination of its Independent Power Producer Administrators (IPPA) Agreement with the Power Sector Assets and Liabilities Management (PSALM) in October 2019.

The reduction in energy sales was mitigated by the 17% YoY increase in energy sales of wholly owned Corenergy, Inc. (Corenergy), a RES, and 27% YoY rise in energy sales of 60%-owned ET-Energy Island, Inc. (ETEI), the special purpose vehicle where all rooftop solar projects of the Company are currently housed.

2. Timing difference resulting from the non-implementation of some management contracts and service level agreements during the quarter-in-review.
3. 45% YoY drop in interest income given lower rates from short term investments.
4. 95% YoY rise in operating expenses.

However, the contraction in EBITDA was mitigated by a subsidiary's revenues from its water engineering service contracts and 38% YoY drop in cost of services.

The Company ended the quarter in review with a net increase in cash before considering the effect of changes in the foreign exchange rates in the amount of Php 514.7 mn, which was 10% lower than the net increase in cash in the amount of Php 569.7 mn as of end-March 2019. This was a result of the use of cash for operating activities, a reversal of the net cash inflow as of end-March 2019, and increased net cash outflow for financing activities as of the first three months of 2020.

Operating activities showed a net cash outflow of Php 118.1 mn during the quarter in review, recording a reversal of the net cash inflow of Php 203.1 as of end-March 2019. This was mainly due to the payment of trade and other payables and accrued expenses (mostly in VEC and 1590 EC). The advance

payment made by 65%-owned Isla Norte Energy Corporation (INEC) for the supply of equipment during the quarter in review also contributed to the use of cash. In the same period last year, the Company's net cash inflows were generated from collection of trade receivables and increase of trade payables.

Investing activities generated cash in the amount of Php 833.1 mn, which was 81% higher than the net cash inflow of Php 460.7 mn as of end-March 2019. The significant increase in dividends received from VECO (up by 71% YoY) and receipt of dividends from CPPC, DPI, Prism Energy and CIPC during the quarter in review mainly accounted for the improved cashflows. These were tempered by the Company's new investment in a waste-water treatment project, additional investment in a joint venture and an associate, and increased capital expenditures for the acquisition of property and equipment (properties as future project sites by VEC and INEC and construction costs for solar projects in ETEI) during the quarter in review.

Financing activities for the quarter recorded a cash usage of Php 200.4 mn, posting a 113% YoY rise vis-à-vis last year's Php 94.1 mn. The Company's interest-bearing advances related to the waste-water treatment project of an associate and 1590's payment of a 2019 dividend declaration during the quarter in review mainly accounted for the significant increase in net cash outflow against the end-March 2019 level. This was tempered by the receipt of cash as advances from a minority shareholder of a subsidiary for its share in a one-off expense, and infusions from a minority shareholder of another subsidiary for a new power plant project in the Visayas.

Debt-to-Equity ratio went down to 0.38x as of end-March 2020 vis-à-vis end-December 2019 level of 0.41x. This was attributed to the 2% increase in total equity and 5% drop in total liabilities, which mainly stemmed from the payment of trade payables and accrued expenses (mostly by VEC and 1590 EC), 1590 EC's payment of dividends to its minority shareholder for a 2019 declaration, purchase of inventories and drop in deferred output VAT on the back of collections of trade receivables.

The Company's current ratio dropped to 1.42x as of end-March 2020 from year-end 2019 level of 3.42x. Current liabilities posted a significant increase of 156% from end-2019 level, while current assets only recorded a growth of 7%. The Company's outstanding FRCN in the amount of Php 2.8 bn, which is maturing in February 2021, has been recognized as a current liability. Moreover, advances from a minority shareholder for a new power plant project in the Visayas also contributed to the rise in current liabilities for quarter-end March 2020.

Material Changes in Line Items of Registrant's Income Statement
(YTD March 2020 vs. YTD March 2019)

As of end-March 2020, the Company's total revenues amounted to Php 860.0 mn, recording a 22% YoY decline from Php 1.1 bn in the same period last year.

1. Sale of power went down by 45% YoY. This mainly resulted from the 17% YoY contraction of energy sales in 1590 EC. Also, VEC had no energy sales during the quarter in review after the termination of its IPPA Agreement with PSALM in October 2019. The reduction in energy sales was mitigated by the 17% YoY increase in energy sales of Corenergy and 27% YoY rise in energy sales of ETEI.
2. The Company's share in net earnings of associates and joint ventures as of end-March 2020 amounted to Php 493.7 mn, representing a 4% YoY increase from Php 473.4 mn. This was a result of the following:

- VECO, the Company's distribution utility, recorded a 5% YoY growth in its bottomline contribution, from Php 202.6 mn to Php 212.5 mn. This was on the back of higher volume sold during the quarter in review (up by 8% YoY).
- 40%-owned MPC brought in contributions of Php 146.7 mn during the period in review, a 5% YoY increase from Php 140.4 mn. This can be mainly attributed to the rise in the volume of energy sales (up by 8% YoY) and lower repairs. Reduction in interest expense, which resulted from debt repayments in 2019, also contributed to the positive variance.
- 40%-owned AHI posted a 7% YoY improvement in its income contribution to Php 77.3 mn from Php 71.9 mn. This was driven by the enhanced profitability of its associate, CEDC. The enhancement in CEDC's performance during the period in review was mainly on account of a 9% YoY rise in energy sales volume and lower interest expense.
- 50%-owned DPI shored in an income contribution of Php 25.0 mn as of end-March 2020, a 59% YoY rise from Php 15.8 mn. This strong showing was attributed to the 44% YoY expansion in energy sales volume. One unit of the company's old plant facility caught fire in February 2019, which resulted to a temporary shutdown of said unit during the same quarter last year.
- 50%-owned CIPC saw a 131% YoY expansion in its income contribution. This was mainly attributed to higher volume sold (up by 14% YoY), coupled with the deferral of scheduled maintenance work and lower operating expenses.

The above enhancements in earnings contributions were tempered by the following:

- 40%-owned CPPC recorded a 5% YoY drop in earnings contribution to Php 42.6 mn from Php 45.0 mn, resulting from lower revenues generated from the sale of its excess capacity to WESM.
 - 20%-owned TVI posted a 226% increase in net loss contribution during the period in review. TVI incurred costs of replacement power during its scheduled maintenance work in the first quarter of 2020. Adding to this was the incurrence of interest expense on its debt. In the same period last year, interest expense was capitalized prior to the start of commercial operations of Unit 1 in April 2019.
 - 40%-owned Prism Energy saw a 55% YoY decline in its income contribution to Php 2.5 mn from Php 5.5 mn. This was attributed to the drop in contracted capacities and lower price per kilowatt hour.
3. There was a timing difference in the implementation of some management contracts and service level agreements during the period in review. As of end-March 2019, the Company recognized management fees of Php 3.2 mn.
 4. 60%-owned Watermatic Philippines Corporation (WMP)¹ earned revenues of Php 20.1 mn from its water engineering service contracts.
 5. Interest income dropped by 45% YoY to Php 22.0 mn, which was attributed to lower interest rates on short-term placements.

Total cost of services and operating expenses for the first quarter of 2020 contracted by 17% YoY, from Php 591.8 mn to Php 493.6 mn. Said movement can be accounted for by the following:

¹ Registered with the Securities and Exchange Commission on July 23, 2019

1. Total cost of services dropped by 38% to Php 306.2 mn from Php 495.9 mn. This can be attributed to the 41% contraction in generation cost to Php 294.5 mn as of end-March 2020 from Php 495.9 as of end-March 2019. 1590 EC's lower energy sales during the quarter mainly accounted for this decline. Higher cost of sales in Corenergy on the back of higher sales volume during the quarter in review tempered the cost reduction.

Meanwhile, WMP incurred technical consultancy and materials costs in the amount of Php 11.8 mn for its water engineering services during the quarter in review.

2. Salaries and employee benefits significantly grew by 94% to Php 67.7 mn from Php 34.9 mn. A change in the timing of accrual for employee benefits mainly accounted for this increase. Manpower headcount and an upward adjustment in salaries and benefits were also higher during the quarter in review.
3. Taxes and licenses were higher by 95% to Php 38.8 mn from Php 19.9 mn. The improved revenues of the Company, 1590 EC and VEC resulted to higher local business taxes. Additional business taxes were incurred due to the change of business address by the Company and its subsidiaries. Payment of documentary stamp taxes (DST) were made during the quarter as a result of the share issuance by a subsidiary and booking of advances from shareholders by another subsidiary that is developing a new power plant project.
4. Professional fees went up by 81% to Php 26.1 mn from Php 14.4 mn. This was mainly due to the engagement of a legal consultant by a subsidiary.
5. Depreciation and amortization grew by 46% YoY to Php 10.9 mn from Php 7.5 mn. The increase was attributable to higher depreciation expense due to purchase of new assets and the depreciation of the right-of-use asset for a lease that was contracted in the fourth quarter of 2019.
6. Outside services was up by 58% YoY to Php 6.8 mn from Php 4.3 mn, which could be attributed to the hosting and support fees incurred for the Company's enterprise resource planning (ERP) system and the spot market trading software used by VEC.
7. Travel expenses saw a rise of 28% to Php 4.3 mn from Php 3.3 mn. This can be attributed to increased travel frequency on the back of more projects during the year in review.
8. Rent and association dues was significantly higher by 280% at Php 1.2 mn from Php 0.3 mn. This was attributed to the increase in association dues for the Company's principal office.
9. Representation expenses were higher by 144% to Php 0.4 mn from Php 0.2 mn. This variance is attributed to the increased initiatives for customer, partners, and stakeholder relations.
10. Other operating expenses rose by 324% YoY to Php 26.3 mn from Php 6.2 mn. This resulted substantially from the timing of donations to Vivant Foundation Inc (VFI). New memberships in business organizations and higher repairs expense also contributed to the increase in cost.

Vivant booked Php 56.6 mn in other charges as of end-March 2020, recording a 6% decrease from previous year's other charges of Php 60.4 mn. The following account for the movement:

1. Finance costs on the Company's FRCN was lower by 1% YoY to Php 41.3 mn from Php 41.7 mn. This reduction is attributed to the partial principal payment made in February 2020.

2. Finance costs on lease liabilities dropped by 8% YoY to Php 20.1 mn from Php 21.7 mn resulting from the amortization of the finance lease under PFRS 16.
3. An unrealized foreign exchange gain of Php 2.7 mn was taken up during the period in review. This pertains to the restatement of the US Dollar and Euro cash balances of the Company and three subsidiaries. This was against an unrealized foreign exchange loss of Php 0.10 mn recorded for the same period last year.
4. Other income of Php 2.0 mn was booked as of end-March 2020, which was 36% lower than the Php 3.2 mn booked in the same period last year. As of end-March 2019, a subsidiary earned revenue from technical services rendered which did not recur during the period in review.

The Company booked an income tax benefit of Php 5.2 mn on account of the deferred income tax on the lease of 1590 EC. This is a reversal of the accrued consolidated tax expense booked by the Company in the amount of Php 15.2 as of end-March 2019.

Taking all of the above into account, the Company recorded a total net income of Php 314.9 mn for the period ending March 31, 2020, which is 28% lower than last year's Php 437.4 mn. Net income attributable to parent amounted to Php 321.3 mn, down by 25% YoY.

*Changes in Registrant's Consolidated Resources, Liabilities and Shareholders' Equity
(End-March 2020 vs. Year-end 2019)*

The Company's total assets marginally grew by 0.1%, from end-2019's level of Php 20.87 bn to Php 20.89 bn. The following are the material movements in the consolidated assets of the Company as of end-March 2020.

1. Cash and cash equivalents expanded by 12% to Php 4.9 bn as of end-March 2020 from Php 4.4 mn as of end-2019. This is attributed to the net cash generated from investing activities, which was mostly from the receipt of dividends from three associates and two joint ventures. These were offset by the use of cash for operating and financing activities.
2. Trade and other receivables went down by 52% to Php 377.9 mn as of end-March 2020. This decrease was mainly attributable to the collection of trade receivables by 1590 EC and receipt of dividends for declarations made in 2019 by DPI, Prism Energy and CIPC.
3. Advances to associates and stockholders was higher by 164% at Php 242.2 mn as of end-March 2020. The increase was mainly a result of an extension of interest-bearing advances related to a waste-water treatment project that the Company invested in.
4. Inventories rose by 9% to Php 110.7 mn as of end-March 2020. This was attributed to the purchase of fuel by 1590 EC.
5. Prepayments and other current assets were higher by 66% YoY at Php 265.0 mn as of end-March 2020. The advance payment to a supplier of equipment for a subsidiary's new power plant project in the Visayas mainly accounted for the rise.
6. Investments in associates and joint ventures slightly dropped by 3% at Php 10.9 bn as of end-March 2020. The new investment of a subsidiary in a joint venture for a waste-water treatment

project, additional investment by another subsidiary to an associate, and the Company's equitized share in net earnings of its associates and joint ventures were outweighed by dividend declarations and payments made by two associates.

7. Right-of-use assets was lower by 6% at Php 866.8 mn, which was due to the amortization as of end-March 2020.

Total consolidated liabilities declined by 5% YoY to Php 5.8 bn as of first quarter 2020 from end-2019's Php 6.1 bn. This was mainly brought by the following:

1. Trade and other payables were lower by 23% to Php 921.8 mn from Php 1.2 bn. This was attributed to the settlement of trade payables and accrued expenses (mostly by VEC and 1590 EC) and 1590 EC's payment of dividends to its minority shareholder for a 2019 declaration. The drop in deferred output VAT on the back of collections of trade receivables also contributed to the drop in payables during the period in review.
2. Current portion of lease liabilities decreased by 10% to Php 323.3 mn from Php 360.1 mn, which was on account of its amortization over the term of the lease.

These contraction in liabilities were offset by the following:

1. Advances from related parties grew by 325% to Php 77.9 mn. This was a result of the advances received by a subsidiary from its minority shareholder for a new power plant project, and advances from a minority shareholder of another subsidiary for its share in a one-off expense.
2. Income tax payable increased by 6% to Php 17.0 mn, which was attributed to the earnings of 1590 EC during the quarter in review.

As a result of net income generated during the period in review, total stockholders' equity slightly increased by 2%, from Php 14.8 bn as of year-end 2019 to Php 15.1 bn as of end-March 2020. Meanwhile, equity attributable to parent ended up marginally higher by 2% at Php 14.4 bn as of end-March 2020.

*Material Changes in the Consolidated Liquidity and Cash Reserves of Registrant
(End-March 2020 vs. End-March 2019)*

Cash and cash equivalents were higher by 13% YoY, from Php 4.4 bn as of end-March 2019 to Php 4.9 bn as of end-March 2020.

The Company ended the quarter in review with a net increase in cash before considering the effect of changes in the foreign exchange rates in the amount of Php 514.7 mn, which was 10% lower than the net increase in cash in the amount of Php 569.7 mn as of end-March 2019. This was a result of the use of cash for operating activities, a reversal of the net cash inflow as of end-March 2019, and increased net cash outflow for financing activities as of the first three months of 2020.

Operating activities showed a net cash outflow of Php 118.1 mn during the quarter in review, recording a reversal of the net cash inflow of Php 203.1 as of end-March 2019. This was mainly due to the payment of trade and other payables and accrued expenses (mostly in VEC and 1590 EC). The advance payment made by 65%-owned INEC for the supply of equipment during the quarter in review also

contributed to the use of cash. In the same period last year, the Company's net cash inflows were generated from collection of trade receivables and increase of trade payables.

Investing activities generated cash in the amount of Php 833.1 mn, which was 81% higher than the net cash inflow of Php 460.7 mn as of end-March 2019. The significant increase in dividends received from VECO (up by 71% YoY) and receipt of dividends from CPPC, DPI, Prism Energy and CIPC during the quarter in review mainly accounted for the improved cashflows. These were tempered by the Company's new investment in a waste-water treatment project, additional investment in a joint venture and an associate, and increased capital expenditures for the acquisition of property and equipment (properties as future project sites by VEC and INEC and construction costs for solar projects in ETEI) during the quarter in review.

Financing activities for the quarter recorded a cash usage of Php 200.4 mn, posting a 113% YoY rise vis-à-vis last year's Php 94.1 mn. The Company's interest-bearing advances related to the waste-water treatment project of an associate and 1590's payment of a 2019 dividend declaration during the quarter in review mainly accounted for the significant increase in net cash outflow against the end-March 2019 level. This was tempered by the receipt of cash on advances from a minority shareholder of a subsidiary for its share in a one-off expense, and infusions from a minority shareholder of another subsidiary for a new power plant project in the Visayas.

Financial Ratios

Debt-to-Equity ratio went down to 0.38x as of end-March 2020 vis-à-vis end-December 2019 level of 0.41x. This was attributed to the 2% increase in total equity and 5% drop in total liabilities, which mainly stemmed from the payment of trade payables and accrued expenses (mostly by VEC and 1590 EC), 1590 EC's payment of dividends to its minority shareholder for a 2019 declaration, purchase of inventories and drop in deferred output VAT on the back of collections of trade receivables.

The Company's current ratio dropped to 1.42x as of end-March 2020 from year-end 2019 level of 3.42x. Current liabilities posted a significant increase of 156% from end-2019 level, while current assets only recorded a growth of 7%. The Company's outstanding FRCN in the amount of Php 2.8 bn, which is maturing in February 2021, has been recognized as a current liability. Moreover, advances from a minority shareholder for a new power plant project in the Visayas also contributed to the rise in current liabilities for quarter-end March 2020.

Material Events and Uncertainties

- Any known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way. The following conditions shall be indicated: whether or not the registrant is having or anticipates having within the next twelve (12) months any cash flow or liquidity problems; whether or not the registrant is in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments; whether or not a significant amount of the registrant's trade payables have not been paid within the stated trade terms.

The Company does not expect any liquidity problems and is not in default of any financial obligations.

- Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

None.

- Any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

The Company does not have material off-balance sheet transactions, arrangements obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons entities or other persons created during the period in review.

- Any material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.

The Company has projects in the pipeline, at varying degrees of development.

POWER GENERATION

These projects are being undertaken through wholly owned subsidiary, VEC.

- Vivant Malogo Hydropower Inc. (VMHI) is a joint venture that will serve as the project proponent for the development and implementation of a greenfield power plant project, which will involve the construction and operation of a series of run-of-river hydropower facilities in Barangay Kapitan Ramon in Silay City, Negros Occidental. VMHI will implement the project in phases, where Phase 1 will involve the construction and operation of a 6 MW power plant facility along the Malogo river. The company has finalized the detailed engineering plans of the facility. Vivant, however, has decided to put the project on hold given the prevailing transmission constraint in the Negros grid, which is expected to be resolved by 2020 upon the completion of the Cebu-Negros-Panay 230kV backbone project of NGCP. VEC holds an effective equity stake of 67% in VMHI.
- Culna Renewable Energy Corporation (CREC) is the project proponent for the construction and operation of hybrid facilities to supply Culion Island with a guaranteed dependable capacity of 1.96 MW and to supply Linapacan Island with guaranteed dependable capacity of 0.358 MW. The Culion Power Station will have a configuration of 2.42 MW Diesel Genset, 2.80 MWp Solar PV and a battery storage system while the Linapacan Power Station's installed capacity will be composed of 540 kW Diesel Gensets and 325 kWp Solar PV. A Joint Application for the approval of the PSA was filed by CREC and BISELCO with the ERC on July 17, 2017, which is pending resolution.
- Global Energy Development Corporation (GLEDC) is a special purpose vehicle that was set up to undertake the construction and operation of a 2x335 MW coal fired power plant in La Union. In December 2017, Vivant, through wholly owned subsidiary Vivant Integrated Generation Corporation (VIGC), and Global Business Power Corporation signed a Pre-Development Agreement to jointly participate in this project. Vivant has an effective ownership of 42.5% in GLEDC.
- In November 2019, the Bantayan Electric Cooperative (BANELCO) concluded a successful competitive selection process by awarding a 15-year contract to supply 15 MW of the island's energy requirements to Isla Norte Energy Corporation (INEC), the joint-venture of Vivant Integrated Diesel Corporation (VIDC), a wholly owned subsidiary of VEC, and Gigawatt Power

Inc. In February 2020, INEC and BANELCO signed the PSA. Vivant owns 65% equity in INEC through wholly-owned subsidiaries, VIDC and Vivant Energy.

- The Company, through its Business Development Group, continuously looks for opportunities in the power generation business, whether it be via greenfield, brownfield or acquisition. The Company conducts an extensive evaluation process before any proposed project is undertaken. Several factors are assessed and considered, which include but not limited to, the project's land use requirements, access to the grid, fuel supply availability and arrangements, permits and licenses, competitiveness of the plant and presence of potential offtakers. The Company intends to bankroll these projects via a combination of equity (30%) and debt (70%), where debt will be booked at the project company.

WATER INFRASTRUCTURE

These projects are being undertaken through wholly owned subsidiary, Vivant Infracore Holdings Inc. (VIHI).

- Watermatic Philippines Corporation (WMP) was established in July 2019 as the joint venture company of Vivant, through VHHL, and its Israeli partner WMI. Vivant's 60%-owned subsidiary specializes in providing solutions for water treatment for a variety of needs including for industry, drinking water, and agriculture. WMP's services include the design, engineering, construction, installation and operations and maintenance of water and wastewater treatment systems. It also assists clients in the project pre-development stage by providing the necessary technical studies and assessment and designing systems that are tailor-fit to the client's specific needs.

Vivant is in the process of evaluating and developing projects for this business.

- Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations should be described.

The overall economic performance of the Philippines is a key factor in the sale of electricity. Thus, the performance of the Company, including its subsidiaries and associates, is affected by the economic state of the country.

Given the uncontracted portion of the Company's attributable generation capacity, any movement in the spot market price of electricity could have a significant impact on the Company's overall financial performance. Spot price of electricity is mostly determined by the supply and demand situation prevailing in the market.

- Any significant elements of income or loss that did not arise from the registrant's continuing operations

None.

- Any material changes in estimates of amounts reported in prior interim period of the current financial year and interim period of the prior financial year, respectively.

None.

- Any seasonal aspects that had a material effect on the financial condition or results of operations
None.
- Any material events subsequent to the end of the interim period that have not been reflected in the financial statements of the interim period

In a move to contain the COVID-19 outbreak, on March 13, 2020, the Office of the President of the Philippines issued a Memorandum directive to impose stringent social distancing measures in the National Capital Region. On March 14, 2020, the Office of the Governor of the province of Cebu implemented similar response through issuance of Executive Order Nos. 5-E, 5-F and 5-G. On March 16, 2020, Presidential Proclamation No. 929 was issued, declaring a State of Calamity throughout the Philippines for a period of six (6) months and enjoined all government agencies and local government units to render full assistance and cooperation to curtail and eliminate the threat of COVID-19. These measures have caused disruptions to businesses and economic activities, and its impact on businesses continue to evolve.

The Company considers the events surrounding the outbreak as non-adjusting events, which do not impact its financial position and performance as of and for the quarter ended March 31, 2020. However, the outbreak could impact the financial results for periods thereafter. Considering the evolving nature of this outbreak, the Company cannot determine at this time the impact to its financial position, performance and cash flows. The Company continues to monitor the situation.

PART II--OTHER INFORMATION

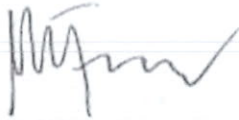
Other than what has been reported, no event has since occurred.

SIGNATURES

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

VIVANT COMPANY

By:



MINUEL CARMELA N. FRANCO
SVP – Corporate and Shared Services;
Chief Finance Officer; Compliance Officer



MARIA VICTORIA E. SEMBRANO
SAVP – Controllershship

May 13, 2020

VIVANT CORPORATION AND SUBSIDIARIES

Unaudited Consolidated Financial Statements

As of March 31, 2020 (with Comparative Audited Consolidated Figures as of
December 31, 2019) and for the Three Months Ended March 31, 2019

VIVANT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(With Comparative Figures as of December 31, 2019)
(Amounts in Philippine Pesos)

	Notes	March 31, 2020	December 31, 2019
ASSETS			
Current Assets			
Cash and cash equivalents	1	₱4,922,586,081	₱4,405,244,649
Trade and other receivables	2	377,946,649	788,842,129
Advances to associates and stockholders	2	242,237,131	91,803,173
Inventories – at cost		110,702,106	101,307,901
Prepayments and other current assets	3	264,951,641	159,912,610
Total Current Assets		5,918,423,608	5,547,110,462
Noncurrent Assets			
Investments in associates and joint ventures	4	10,922,948,390	11,236,867,087
Property, plant and equipment	5	1,333,090,718	1,321,444,974
Right-of-use assets		866,778,151	925,279,293
Investment properties	6	757,280,601	757,280,601
Deferred income tax assets		30,891,693	30,891,693
Other noncurrent assets	7	1,063,045,286	1,048,137,839
Total Noncurrent Assets		14,974,034,839	15,319,901,487
TOTAL ASSETS		₱20,892,458,447	₱20,867,011,949

	Notes	March 31, 2020	December 31, 2019
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables		₱ 921,755,081	₱ 1,203,179,205
Current portion of lease liabilities		323,297,925	360,141,234
Advances from related parties		77,877,273	18,309,614
Income tax payable		17,019,539	15,999,066
Current portion of long-term notes payable		2,814,726,970	25,218,850
Total Current Liabilities		4,154,676,788	1,622,847,969
Noncurrent Liabilities			
Long-term notes payable - net of current portion		—	2,819,508,120
Lease liabilities – net of current portion		516,299,054	516,299,054
Pension liability		69,718,534	67,222,433
Deferred income tax liabilities		197,044,038	203,423,809
Other noncurrent liabilities		836,662,924	836,662,924
Total Noncurrent Liabilities		1,619,724,550	4,443,116,340
Total Liabilities		5,774,401,338	6,065,964,309
Equity Attributable to Equity Holders of the Parent			
Capital stock	8	1,023,456,698	1,023,456,698
Additional paid-in capital		8,339,452	8,339,452
Other components of equity:			
Share in revaluation increment of an associate		1,323,680,397	1,323,680,397
Remeasurement loss on employee benefits		(10,270,755)	(10,270,755)
Share in remeasurement losses on employee benefits of associates and a joint venture		(80,413,281)	(80,413,281)
Unrealized valuation gain (loss) on financial assets at fair value through other comprehensive income (FVOCI)		2,836,709	2,836,709
Equity reserves		(25,128,554)	(25,128,554)
Retained earnings:			
Appropriated for business expansion		4,449,483,361	4,449,483,361
Unappropriated		7,714,078,473	7,392,814,294
Equity Attributable to Equity Holders of the Parent		14,406,062,500	14,084,798,321
Equity Attributable to Non-controlling Interests		711,994,609	716,249,319
Total Equity		15,118,057,109	14,801,047,640
TOTAL LIABILITIES AND EQUITY		₱20,892,458,447	₱20,867,011,949

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD JANUARY 1 TO MARCH 31, 2020

(With Comparative Figures for the same period in 2019)

(Amounts in Philippine Pesos)

	2020	2019
REVENUE		
Sale of power	₱324,235,855	₱587,798,593
Equity in net earnings of associates and joint ventures	493,672,941	473,394,781
Management and service fees	—	3,194,584
Engineering service income	20,103,751	—
Interest income	22,011,104	40,323,832
	860,023,651	1,104,711,790
COST OF SERVICES		
Generation costs	294,461,820	495,883,961
Engineering service fees	11,774,240	—
	306,236,060	495,883,961
OPERATING EXPENSES		
Salaries and employee benefits	67,702,114	34,929,424
Taxes and licenses	38,799,256	19,948,169
Professional fees	26,074,500	14,437,428
Depreciation and amortization	10,889,401	7,471,214
Outside services	6,827,180	4,311,293
Travel	4,253,409	3,310,463
Management fees	3,404,000	3,404,000
Communication and utilities	1,468,339	1,419,576
Rent and association dues	1,244,960	327,259
Representation	436,211	178,621
Other operating expenses	26,311,445	6,206,710
	187,410,815	95,944,157
INCOME FROM OPERATIONS	366,376,776	512,883,672
OTHER INCOME (CHARGES)		
Finance costs on loans	(41,275,541)	(41,688,514)
Finance costs on lease liabilities	(20,095,077)	(21,743,412)
Foreign exchange gains (losses) – net	2,687,279	(96,647)
Other income	2,042,083	3,178,707
	(56,641,256)	(60,349,866)
INCOME BEFORE INCOME TAX	309,735,520	452,533,806
PROVISION FOR INCOME TAX (BENEFIT)	(5,163,541)	15,174,202
NET INCOME	314,899,061	437,359,604
OTHER COMPREHENSIVE INCOME	—	—
TOTAL COMPREHENSIVE INCOME	₱314,899,061	₱437,359,604
NET INCOME ATTRIBUTABLE TO:		
Equity holders of the parent	₱321,264,179	₱428,317,179
Non-controlling interests	(6,365,118)	9,042,425
	₱314,899,061	₱437,359,604
Basic and diluted earnings per share, for net income for the year attributable to equity holders of the parent (see Note 9)	₱0.314	₱0.419

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED MARCH 31, 2020

(With Comparative Figures for the same period in 2019)

(Amounts in Philippine Pesos)

	2020	2019
REVENUE		
Sale of power	₱324,235,855	₱587,798,593
Equity in net earnings of associates and joint ventures	493,672,941	473,394,781
Management and service fees	–	3,194,584
Engineering service income	20,103,751	–
Interest income	22,011,104	40,323,832
	860,023,651	1,104,711,790
COST OF SERVICES		
Generation costs	294,461,820	495,883,961
Engineering service fees	11,774,240	–
	306,236,060	495,883,961
OPERATING EXPENSES		
Salaries and employee benefits	67,702,114	34,929,424
Taxes and licenses	38,799,256	19,948,169
Professional fees	26,074,500	14,437,428
Depreciation and amortization	10,889,401	7,471,214
Outside services	6,827,180	4,311,293
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Management fees	3,404,000	3,404,000
Communication and utilities	1,468,339	1,419,576
Rent and association dues	1,244,960	327,259
Representation	436,211	178,621
Other operating expenses	26,311,445	6,206,710
	187,410,815	95,944,157
INCOME FROM OPERATIONS	366,376,776	512,883,672
OTHER INCOME (CHARGES)		
Finance costs on loans	(41,275,541)	(41,688,514)
Finance costs on lease liabilities	(20,095,077)	(21,743,412)
Foreign exchange gains (losses) - net	2,687,279	(96,647)
Other income	2,042,083	3,178,707
	(56,641,256)	(60,349,866)
INCOME BEFORE INCOME TAX	309,735,520	452,533,806
PROVISION FOR INCOME TAX (BENEFIT)	(5,163,541)	15,174,202
NET INCOME	314,899,061	437,359,604
OTHER COMPREHENSIVE INCOME	–	–
TOTAL COMPREHENSIVE INCOME	₱314,899,061	₱437,359,604
NET INCOME ATTRIBUTABLE TO:		
Equity holders of the parent	₱321,264,179	₱428,317,179
Non-controlling interests	(6,365,118)	9,042,425
	₱314,899,061	₱437,359,604
Basic and diluted earnings per share, for net income for the year attributable to equity holders of the parent (see Note 9)	₱0.314	₱0.419

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2020
(With Comparative Figures for the same period in 2019)
(Amounts in Philippine Pesos)

	Attributable to Equity Holders of the Parent											
	Capital Stock	Additional Paid-in Capital	Share in Revaluation Increment of an Associate	Remeasurement Gain (Loss) on Employee Benefits	Share in Remeasurement Losses on Employee Benefits of Associates and a Joint Venture	Unrealized Valuation Gain (Loss) on Financial Assets at FVOCI	Equity Reserves	Retained Earnings		Total	Equity Attributable to Non-Controlling Interests	Total Equity
								Appropriated	Unappropriated			
Balances at January 1, 2020	₱1,023,456,698	₱8,339,452	₱1,323,680,397	(₱10,270,755)	(₱80,413,281)	₱2,836,709	(₱25,128,554)	₱4,449,483,361	₱7,392,814,294	₱14,084,798,321	₱716,249,319	₱14,801,047,640
Total comprehensive income (loss)	-	-	-	-	-	-	(₱25,128,554)	₱4,449,483,361	₱7,392,814,294	₱14,084,798,321	₱716,249,319	₱14,801,047,640
Additional investments of non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	321,264,179	321,264,179	(6,365,318)	314,898,861
Balances at March 31, 2020	₱1,023,456,698	₱8,339,452	₱1,323,680,397	(₱10,270,755)	(₱80,413,281)	₱2,836,709	(₱25,128,554)	₱4,449,483,361	₱7,714,078,473	₱14,406,062,500	₱711,999,609	₱15,118,062,109
Balances at January 1, 2019	₱1,023,456,698	₱8,339,452	₱1,398,039,947	₱6,999,009	(₱78,172,323)	₱1,289,709	(₱43,845)	₱3,972,397,789	₱5,802,739,051	₱12,135,045,487	₱435,418,470	₱12,570,463,957
Total comprehensive income (loss)	-	-	-	-	-	-	-	-	428,317,179	428,317,179	9,045,425	437,362,604
Additional investments of non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	-	400,000	400,000
Balances at March 31, 2019	₱1,023,456,698	₱8,339,452	₱1,398,039,947	₱6,999,009	(₱78,172,323)	₱1,289,709	(₱43,845)	₱3,972,397,789	₱6,231,056,230	₱12,563,362,666	₱444,863,895	₱13,008,226,561

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2020
(With Comparative Figures for the same period in 2019)
(Amounts in Philippine Pesos)

	Notes	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax		₱309,735,520	₱452,533,806
Adjustments for:			
Equity in net earnings of associates and joint ventures		(493,672,941)	(473,394,781)
Depreciation and amortization		75,254,094	64,977,737
Finance costs on loans		41,275,541	41,688,514
Interest income		(22,011,104)	(40,323,832)
Finance costs on lease liabilities		20,095,077	21,743,412
Unrealized foreign exchange (gains) losses		(2,687,279)	96,647
Pension expense		2,496,101	1,220,927
Operating income (loss) before working capital changes		(69,514,991)	68,542,430
Decrease (increase) in:			
Trade and other receivables	2	364,070,067	191,137,740
Prepayments and other current assets	3	(105,039,032)	(49,932,453)
Inventories		(9,394,205)	5,499,019
Increase (decrease) in trade and other payables		(236,374,500)	28,368,333
Cash generated from (used in) operations		(56,252,661)	243,615,069
Interest paid		(61,618,417)	(40,520,998)
Income taxes paid		(195,756)	(3,596)
Net cash flows from (used in) operating activities		(118,066,834)	203,090,475

	Notes	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES			
Additional investments in and advances to associates and joint ventures	4	(119,399,592)	—
Dividends received from associates and joint ventures		978,111,200	432,319,454
Additions to property, plant and equipment	5	(28,393,092)	(1,243,084)
Interest received		26,036,518	37,817,870
Increase in other noncurrent assets		(23,233,021)	(8,198,196)
Net cash flows from investing activities		833,122,013	460,696,044
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:			
Cash dividends		(44,801,825)	(111,045)
Lease liabilities		(36,843,309)	(63,614,816)
Loans		(30,000,000)	(30,000,000)
Additional investments and deposits for future stock subscription of non-controlling interest of a subsidiary		2,110,407	400,000
Net proceeds (payments) in advances to from related parties		(90,866,299)	(781,620)
Net cash flows used in financing activities		(200,401,026)	(94,107,481)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		514,654,153	569,679,038
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
		2,687,279	(96,647)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD			
Cash and cash equivalents		4,405,244,649	3,787,016,107
Restricted cash		650,000	650,000
		4,405,894,649	3,787,666,107
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD			
Cash and cash equivalents		4,922,586,081	4,356,598,498
Restricted cash		650,000	775,000
		₱4,923,236,081	₱4,357,373,498

See accompanying Notes to Consolidated Financial Statements.

VIVANT CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements
March 31, 2020

1. Cash and Cash Equivalents

This account consists of:

	March 31, 2020	December 31, 2019
Cash on hand and in banks	₱1,355,410,956	₱351,265,532
Short-term investments	3,567,175,125	4,053,979,117
	₱4,922,586,081	₱4,405,244,649

2. Trade and Other Receivables and Advances to Associates and Stockholders

This account consists of:

	March 31, 2020	December 31, 2019
Trade receivables	₱363,943,278	₱728,468,314
Dividends receivable	—	42,800,000
Accounts receivable	17,902,660	19,291,233
Advances to officers and employees	5,286,376	3,143,698
Accrued interest	4,284,794	8,294,408
Others	40,555,578	40,870,513
	431,972,686	842,868,166
Less allowance for impairment loss	54,026,037	54,026,037
	₱377,946,649	₱788,842,129

Advances to associates and
stockholders

₱242,237,131 **₱91,803,173**

2.1 Aging of Trade and Other Receivables

	March 31, 2020				December 31, 2019			
	0-30 DAYS	31-60 DAYS	OVER 60 DAYS	TOTAL	0-30 DAYS	31-60 DAYS	OVER 60 DAYS	TOTAL
Trade receivables, advances and other current receivables	₱105,480,972	₱92,490,313	₱234,001,401	₱431,972,686	₱714,861,304	₱40,117,129	₱87,889,733	₱842,868,166
Less: Allowance for impairment loss			54,026,037	54,026,037			54,026,037	54,026,037
	₱105,480,972	₱92,490,313	₱179,975,364	₱377,946,649	₱714,861,304	₱40,117,129	₱33,863,696	₱788,842,129

3. Prepayments and Other Current Assets

The composition of this account is shown below:

	March 31, 2020	December 31, 2019
Advances to suppliers and other parties	₱141,867,082	₱25,108,243
Input VAT - current	57,376,483	74,770,733
Prepaid expenses	24,509,452	47,180,471
Creditable withholding taxes - current	7,029,085	6,489,220
Others	34,169,539	6,363,943
	₱264,951,641	₱159,912,610

4. Investment in Associates and Joint Ventures:

The Company's associates and joint ventures, which are all incorporated in the Philippines, and the corresponding equity ownership as of March 31, 2020 follow:

	Nature of Business	Percentage of Ownership	
		2019	2019
Associates:			
Visayan Electric Company, Inc. (VECO)	Power distribution	34.81	34.81
Lunar Power Core Inc. (LPCI)	Power generation	42.50	42.50
Cebu Private Power Corporation (CPPC)	Power generation	40.00	40.00
Prism Energy Inc (Prism Energy)	Power generation	40.00	40.00
Abovant Holdings Inc. (AHI)	Holding company	40.00	40.00
Minergy Power Corporation (MPC)	Power generation	40.00	40.00
Therma Visayas Inc. (TVI)	Power generation	20.00	20.00
Global Luzon Energy Development Corporation (GLEDC)	Power generation	42.50	42.50
Sabang Renewable Energy Corporation (SREC)	Power generation	30.00	30.00
Culina Renewable Energy Corp. (CREC)	Power generation	35.00	35.00
Barracuda Energy Power Corporation (6 Barracuda)	Power generation	40.00	40.00
Faith Lived Out Visions 2 Ventures Holdings, Inc. (FLOWS)	Holding company	45.00	-
Joint ventures:			
Calamian Islands Power Corp. (CIPC)	Power generation	50.00	50.00
Delta P, Inc. (DPI)	Power generation	50.00	50.00

The components of the carrying values of investments in associates and joint ventures are as follows:

	March 31, 2020	December 31, 2019
Investment in VECO:		
Acquisition Cost	₱882,952,562	₱882,952,562
Accumulated Equity Earnings-net	188,536,808	717,368,390
Revaluation Surplus	1,283,076,945	1,283,076,945
Carrying Value	2,354,566,315	2,883,397,897

Investment in LPCI:		
Acquisition Cost	114,750,000	114,750,000
Accumulated Equity Earnings-net	(591,884)	(588,519)
Carrying Value	114,158,116	114,161,481
Investment in CPPC:		
Acquisition Cost	305,119,049	305,119,049
Accumulated Equity Earnings-net	(271,493,660)	(120,094,770)
Carrying Value	33,625,389	185,024,279
Investment in Prism Energy:		
Acquisition Cost	6,900,000	6,900,000
Accumulated Equity Earnings-net	41,559,406	39,091,123
Carrying Value	48,459,406	45,991,123
Investment in AHL:		
Acquisition Cost	976,784,699	976,784,699
Accumulated Equity Earnings-net	778,539,748	701,231,404
Carrying Value	1,755,324,447	1,678,016,103
Investment in MPC:		
Acquisition Cost	2,756,240,000	2,756,240,000
Accumulated Equity Earnings-net	905,976,034	759,232,399
Carrying Value	3,662,216,034	3,515,472,399
Investment in TVI:		
Acquisition Cost	2,155,304,701	2,155,304,701
Accumulated Equity Earnings-net	171,897,730	195,787,239
Revaluation Surplus	40,603,452	40,603,452
Carrying Value	2,367,805,883	2,391,695,392
Investment in GLEDC:		
Acquisition Cost	-	-
Accumulated Equity Earnings-net	(32,141,245)	(29,384,430)
Carrying Value	(32,141,245)	(29,384,430)
Investment in SREC:		
Acquisition Cost	40,200,000	40,200,000
Accumulated Equity Earnings-net	(4,101,851)	(3,788,996)
Carrying Value	36,098,149	36,411,004
Investment in CREC:		
Acquisition Cost	10,592,000	2,192,000
Additional investment		8,400,000
Accumulated Equity Earnings-net	(725,389)	(721,260)
Carrying Value	9,866,611	9,870,740
Investment in 6 BARRACUDA:		
Acquisition Cost	8,319,970	-
Additional investment	2,800,000	-
Carrying Value	11,119,970	-
Investment in FLOWS:		
Acquisition Cost	96,750,000	-
Carrying Value	96,750,000	-

Investment in CIPC:		
Acquisition Cost	102,097,169	102,097,169
Accumulated Equity Earnings-net	69,599,246	55,566,228
Carrying Value	171,696,415	157,663,397
Investment in DPI:		
Acquisition Cost	255,411,833	255,411,833
Additional investment	19,849,593	-
Accumulated Equity Earnings-net	18,141,474	(6,864,131)
Carrying Value	293,402,900	248,547,702
Total Carrying Value of Investments	₱10,922,948,390	₱11,236,867,087

i. Property, Plant and Equipment

Property, plant and equipment consists of the following major classifications:

	March 31, 2020								Total
	Land	Plant Machineries and Equipment	Condominium Units, Building and Improvements	Transportation Equipment	Office Furniture, Fixtures and Equipment	Tools and Other Assets	Leasehold and Land Improvements	Construction in Progress	
Cost									
At January 1	30,731,600	P1,255,598,343	P36,421,603	P61,933,130	P68,361,383	P82,290,699	P50,439,728	P117,929,000	P1,703,705,486
Additions	12,200,000	53,571	—	—	1,531,347	471,031	—	14,137,143	28,393,092
Reclassification	—	—	—	—	—	—	34,421,000	(14,421,000)	—
At December 31	42,831,600	1,255,651,914	36,421,603	61,933,130	69,892,730	82,761,730	84,860,728	97,645,143	1,732,098,578
Accumulated Depreciation and Amortization									
At January 1	—	242,497,577	23,681,714	36,273,281	50,444,337	13,359,106	16,004,497	—	382,260,512
Depreciation	—	7,939,649	121,782	2,153,925	2,668,147	1,510,263	2,353,582	—	16,747,348
At December 31	—	250,437,226	23,803,496	38,427,206	53,112,484	14,869,369	18,358,079	—	399,007,860
Net Book Value	42,831,600	P1,005,214,688	P12,618,107	P23,505,924	P16,780,246	P67,892,361	P66,502,649	P97,645,143	P1,333,090,718

	December 31, 2019								Total
	Land	Plant Machineries and Equipment	Condominium Units, Building and Improvements	Transportation Equipment	Office Furniture, Fixtures and Equipment	Tools and Other Assets	Leasehold and Land Improvements	Construction in Progress	
Cost									
At January 1	30,631,600	P591,133,893	P36,421,603	P52,331,592	P59,851,063	P10,983,896	P50,041,256	P96,143,611	P927,538,514
Additions	100,000	664,464,450	—	12,772,406	8,586,124	9,212,338	398,472	83,879,854	779,413,644
Reclassification	—	—	—	—	—	62,094,465	—	(62,094,465)	—
Disposal	—	—	—	(3,170,868)	(75,804)	—	—	—	(3,246,672)
At December 31	30,731,600	1,255,598,343	36,421,603	61,933,130	68,361,383	82,290,699	50,439,728	117,929,000	1,703,705,486
Accumulated Depreciation and Amortization									
At January 1	—	216,219,412	22,638,372	30,591,637	41,011,040	7,298,835	8,888,319	—	326,647,615
Depreciation	—	26,278,165	1,043,342	8,455,906	9,509,100	6,060,271	7,116,178	—	58,462,962
Disposal	—	—	—	(2,774,262)	(75,803)	—	—	—	(2,850,065)
At December 31	—	242,497,577	23,681,714	36,273,281	50,444,337	13,359,106	16,004,497	—	382,260,512
Net Book Value	30,731,600	P1,013,100,766	P12,739,889	P25,659,849	P17,917,046	P68,931,593	P34,435,231	P117,929,000	P1,321,444,974

6. Investment Properties

	March 31, 2020	December 31, 2019
Land		
Cost	P733,195,868	P733,195,868
Condominium Units		
Cost	24,084,733	24,084,733
Total Investment Properties	P757,280,601	P757,280,601

Some of the Company's investment properties were leased out to the Parent company and outside parties to earn rental income. Total rental income amounting to Php 0.3 mn and Php 0.5 mn as of end-March 2020 and end-March 2019, respectively, were recorded as part of "Other income" in the consolidated statements of comprehensive income.

Management assessed that there is no significant change in the fair value of the Group's investment properties from the valuation date until March 31, 2020.

In 2019, an appraisal was performed on the Company's investment properties which resulted to an increase in the fair value amounting to Php 235.3 million.

Direct costs pertain to real property taxes amounting to Php 0.9 mn and Php 0.8 mn as of end-March 2020 and 2019, respectively, are included under "Taxes and licenses" account in the consolidated statements of comprehensive income.

The Company has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct, or develop investment properties.

7. Other Noncurrent Assets

The details of this account are shown below:

	March 31, 2020	December 31, 2019
Advances to suppliers and other parties	P724,533,793	P703,774,874
Creditable withholding taxes - noncurrent	209,019,973	208,704,118
Goodwill	79,430,946	79,430,946
Input VAT - noncurrent	18,466,578	17,896,338
Financial assets at FVOCI	7,370,000	7,370,000
Customer contracts	5,900,337	5,900,337
Software cost - net	83,298	38,938
Others - net of allowance for impairment loss of Php 48.05 mn	18,240,361	25,022,288
	P1,063,045,286	P1,048,137,839

8. Capital Stock

The details of the capital stock account are as follows:

	March 31, 2020	December 31, 2019
Authorized Capital Stock – ₱1.00 par value		
Authorized - 2,000,000	₱2,000,000,000	₱2,000,000,000
Issued – 1,023,456,698 shares	1,023,456,698	1,023,456,698

9. Earnings Per Share (EPS)

The financial information pertinent to the derivation of earnings per share follows:

	March 31, 2020	December 31, 2019
Net income attributable to the shareholders of the Parent company	₱321,264,179	₱2,338,934,325
Weighted average number of outstanding common shares	1,023,456,698	1,023,456,698
Basic EPS	₱0.314	₱2.285

10. OTHER DISCLOSURES

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

The principal accounting policies and methods of computation used in the annual financial statements were also followed in the preparation of the interim financial statements.

There are no significant changes in estimates in amounts reported in prior financial years that have a material effect in the current interim period.

There are no material events subsequent to the end of the interim period that has not been reflected in the financial statements for the interim period.

There are no material contingencies, events or transactions that are material to an understanding of the current interim period.

Vivant Corporation issued 7-year fixed rate notes with a total principal amount of Php 3.0 bn. The issue was fully subscribed by a consortium of local banks composed of Metropolitan Bank and Trust Company, China Banking Corporation, Development Bank of the Philippines, Philippine Savings Bank, Rizal Commercial Banking Corporation and Robinsons Savings Bank.

The FRCN issue was done in two tranches. The first tranche of notes worth Php 1.0 bn were issued on February 3, 2014 at an interest rate of 5.7271% p.a. Meanwhile, the second tranche of notes worth Php 2.0 bn were issued on March 31, 2014 at an interest rate of 5.4450% p.a.

Vivant Corporation made partial payments on the principal for Php 30.0 mn in February of each year starting 2015 or a total of Php 180.0 mn as of end Mar 2020.

The Company is not required to disclose segment information in its annual financial statements.

There have been no changes in the composition of the issuer during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

There are no contingent liabilities or contingent assets since the last annual balance sheet date.

Financial Instruments and Financial Risk Management

The Company and its subsidiaries (the "Group") are exposed to a variety of financial risks which resulted from its operating and investing activities. The Group focuses on actively securing its short-to-medium term cash flows by minimizing the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described below.

Credit Risk

Credit Risk represents the risk of loss the Group would incur if counterparties fail to perform their contractual obligations. The Group's credit risk arises principally from its receivables.

Generally, the maximum credit risk exposure of financial assets is their carrying amount as shown in the balance sheets. Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount. The Group's receivables are actively monitored to avoid significant concentrations of credit risk. Please refer to the Note 2.1 of the Notes to the interim Financial Statements as of March 31, 2020 for the aging analysis of the Group's receivables.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group monitors and maintains a level of cash deemed adequate by management to finance its operations and mitigate the effects of fluctuations in cash flows. Additional short-term funding is obtained from related party advances and short-term loans, when necessary.

Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the Philippine Peso (PHP), which are United States Dollar (USD) and European Euro (€).

The Group's exposure to foreign currency risk based on amounts is as follows:

	March 31, 2020
Loan Receivables	USD –
Trade Receivables	USD –
Cash	USD 135,078
	Euro 5,974,476
Trade Payables	USD –
	Euro –
Gross Exposure	USD 135,078
	Euro 5,974,476

The average exchange rates for the quarter ended March 31, 2020 are as follows:

US Dollar-Philippine Peso	US\$1 = Php 50.83
Euro-Philippine Peso	Eu€1 = Php 56.15

The exchange rates applicable as of March 31, 2020 are the following:

US Dollar-Philippine Peso	US\$1 = Php 50.68
Euro-Philippine Peso	Eu€1 = Php 56.39

Sensitivity Analysis

A 10% strengthening of the Philippine Peso against US Dollar and European Euro as of March 31, 2020 would have decreased equity and profit by Php 34.4 mn. A 10% weakening of the Philippine Peso against the US Dollar and European Euro as of March 31, 2020 would have an equal but opposite effect, on the basis that all other variables remain constant.

The Group absorbs the risk and favorable and unfavorable exchange rate movement as they arise.

The Company neither issues nor invests in complex securities, particularly on derivatives.

The Company does not have investments in foreign securities.

The carrying values of cash and cash equivalents, receivables, trade, and other payables approximate their fair values due to short-term maturity of these instruments.

The Company has minimal financial instruments in the form of available for sale shares of stock which are traded in the market. These financial instruments are however not traded actively.