

COVER SHEET

A S 0 9 2 0 6 4 4 1
SEC Registration Number

S O C R E S O U R C E S , I N C .

(Company's Full Name)

4 t h F l r . E N Z O B l d g . 3 9 9 S e n .
G i l P u y a t A v e M a k a t i C i t y

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

Ronna C. De Leon

Contact Person

804-1977/804-1978

Company Telephone Number

SEC FORM 17Q

FORM TYPE

(last Friday of May)

1 2 3 1

Month Day

Fiscal Year

0 5 2 7

Month Day

Annual Meeting

Not Applicable

0Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

365

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

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 June 30, 2016
2. SEC Identification Number ASO92-06441 3. BIR Tax Identification No. 001-945-016
4. Exact name of issuer as specified in its charter SOCResources, Inc.
5. Not Applicable 6. (SEC Use Only)
Province, Country or other jurisdiction of Industry Classification Code:
incorporation or organization
7. ENZO Bldg. Senator Gil Puyat Avenue
Makati City 1200
Address of principal office Postal Code
8. (632) 804-1977 / 804-1978
Issuer's telephone number, including area code
9. SOUTH CHINA RESOURCES, INC. /3F Low Rise Pacific Star Building Gil Puyat Avenue cor
Makati Ave, Makati City 1200
Former name, former address and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sec. 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding |
|----------------------|--|
| <u>Common Shares</u> | <u>901,920,568</u> |

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

Yes [] No []

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

Name of Stock Exchange
Philippine Stock Exchange

Class of Securities listed
U

12. Check whether the issuer:

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

Yes [**X**] No []

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

Yes [**X**] No []

PART 1 – FINANCIAL INFORMATION

Item 1: Financial Statements

Financial Report

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

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

BUSINESS

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

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

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

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

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

fabrication companies in the country with the unchallenged capability in modular fabrication. An example of this was a first time ever in the world construction of a modularized coker plant for an oil refinery, fabricated and shipped from its shipyard in Bauan, Batangas. These colossal structures towered as much as 10 stories high and weighed 1500 to 2500 tons each, were shipped on special large-hold ships that traversed the Panama Canal on its way to Lake Erie. AG&P was supposedly a long term investment however management was able to identify an opportunity which allowed for a shorter turn-around time in recouping this investment. This allowed for recoup of the investment and make a good return in what would have taken the company more than several years at the very least following the usual course of investment and dividend sharing. On January 31, 2012, the company sold its AGP shares at a good profit.

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

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

The government estimates the country's housing backlog at almost 4 million. There lies the opportunity for SOC to serve a basic need of Filipinos. It formed SOC Land Development Corporation (SOC Land), a wholly owned subsidiary, that put up quality homes at affordable prices. The Board of Directors, in a special meeting held November 11, 2010, directed Management to cause the registration with the Securities and Exchange Commission of SOC Land Development Corporation (SOC Land) as a wholly-owned subsidiary of the issuer with an authorized capital stock of One Hundred Sixty Million Pesos (PHP 160,000,000.00), a subscribed capital stock of Forty Million Pesos (PHP 40,000,000.00) and a paid-up capital of Ten Million Pesos (PHP 10,000,000.00). The subsidiary will be the property development arm of the company, that will develop a 2.4-hectare community, called Anuva Residences (the Project), situated near Sucat Interchange. It has have four (4) tandem buildings. The total estimated cost of the Project is ₱2.0 billion.

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

Amenities facing Anala have likewise been completed as well as the parking slots in the lower ground floor for the residents to enjoy and use. The second tandem building known as Azalea is currently in a pre-selling stage focusing on the Green Urban Living image with amenities like the reflecting pool, adult and kiddie pool, cascades, picnic groves, clubhouse, garden party and BBQ area.

SOC Land's newest project is a horizontal residential development, ALTHEA RESIDENCES. It is situated in Brgy. Zapote, Biñan City, Laguna and featuring modern homes with tranquil vibe spread in 4.3 hectares of land. For this project, road networks have been completed last May 12, 2015 while the Entrance Gate/Guardhouse and the Model Houses were completed last quarter of 2015. Utilities such as Meralco and Laguna Water are already completed and fully functional. Perimeter fence covering the whole subdivision has been completed as well as the guard house with boom gates. The interior designs fit-out works for the three (3) model houses is expected to be completed by August 2016. The amenities of the project was already awarded to a chosen contractor with a scheduled start date of construction on August 2016 and target date of completion on December 2016.

SOC has identified two new areas for potential investment which it is investigating. To address a growing population, now estimated at 97 million Filipinos and increasing every year, it looks at food production. The Company believes that a rising population coupled with rising incomes will drive greater protein consumption. Opportunities have been identified to get in this value chain to grow a long term business that will allow expansion laterally and vertically.

On June 22, 2016, SOCResources, Inc. received from the National Commission on Indigenous Peoples (NCIP) a Certificate of Precondition (CP) (Certificate of Compliance to the FPIC Process and Certification that the Community has given its Consent) and the NCIP-approved Memorandum of Agreement with the Campong It Mangarapan It Palawano for the development of their 5,000 hectare ancestral land for an agro-forest coffee project located in Barangay Campong Ulay, Rizal, Palawan.

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

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

The Company's subsidiary is SOC Land Development Corporation as of June 30, 2016.

The Company does not expect any significant changes in its number of employees. Presently, the Company has a total of six (6) officers and employees, all working full-time, one (1) Chairman, one (1) Vice-President for Operations, one (1) Vice-President for Finance, , one (1) Chief Accountant, one (1) Accounting Assistant and one (1) Messenger. The Company has no Collective Bargaining Agreements (CBA).

CONSOLIDATED RESULTS OF OPERATIONS

Financial Highlights (In PHP)

FOR THE PERIOD ENDED JUNE 30,2016 & JUNE 30,2015

ACCOUNTS	June 30, 2016	June 30, 2015	% CHANGE
REVENUES	118,370,340	77,978,139	51.80%
COST AND EXPENSES	109,137,680	92,047,068	18.57%
INCOME (LOSS) BEFORE INCOME TAX	9,232,660	(14,068,929)	165.62%
PROVISION FOR INCOME TAX	1,427,318	120,491	1084.58%
NET INCOME/(LOSS)	7,805,342	(14,189,420)	155.01%
NET GAINS(LOSSES) ON AFS FINANCIAL ASSETS	5,662,040	(3,282,825)	272.47%
TOTAL COMPREHENSIVE INCOME/(LOSS)	13,467,382	(17,472,245)	177.08%

2016 VS 2015: RESULTS OF OPERATIONS

Revenue from sale of real estate recognized as of the 2nd quarter 2016 was ₱100.9M plus other income of ₱15.87M consisting of late payment penalties, forfeited payments and interest earned on in-house financing. Bulk of the general and administrative expense pertains to the personnel cost amounting to ₱6.2M, taxes and licenses amounting to ₱6.04M and property management expenses amounting to ₱3.13M. Bulk of the sales and marketing expenses pertains to Sales Commission of ₱2.4M and consultancy fees of ₱1.3M. The provision for income taxes of ₱1.4M and ₱1.2M pertains to taxes payable by the subsidiary, SOC Land. There has been an increment on the market value of the equity holdings of the parent company amounting to ₱5.7M as of June 30, 2016. The increase of 51.80% in revenues for the period June 30, 2016 as against period ending June 30, 2015 coupled with a slight increase of 18.57% in cost and expenses on the same period resulted to an outstanding 155% increase in the bottomline figures.

FOR THE PERIOD ENDED JUNE 30,2015 & JUNE 30,2014

ACCOUNTS	6/30/2015	6/30/2014	% CHANGE
REVENUES	77,978,139	36,782,347	112.00%
COST AND EXPENSES	92,047,068	42,188,400	118.18%
INCOME (LOSS) BEFORE INCOME TAX	(14,068,929)	(5,406,053)	-160.24%
PROVISION FOR INCOME TAX	120,491	5,906,579	-97.96%
NET INCOME/(LOSS)	(14,189,420)	(11,312,632)	-25.43%
NET GAINS(LOSSES) ON AFS FINANCIAL ASSETS	(3,282,825)	(22,588,709)	85.47%
TOTAL COMPREHENSIVE INCOME/(LOSS)	(17,472,245)	(33,901,341)	48.46%

2015 VS 2014: RESULTS OF OPERATIONS

There has been a positive increase in the total revenue of the group as of June 30, 2015 as against June 30, 2014 due to SOC Land's recognition of Real Estate Sale amounting to ₱71.48 million and other income pertaining to late payment

penalties, interest earned on in-house financing for the real estate business and forfeited buyers' deposits totalling ₱5.5 million. Cost of sales amounting to ₱55.5 million was recognized as of the end of June 30, 2015, thus explaining the difference in the cost and expenses vis-à-vis same period last year. There has been also a decrease in the recognized net loss on AFS financial due to the liquidation of domestic and foreign shares last year. A noticeable Decline of 41% was showed by Sales and marketing expense as compared same period last year.

CONSOLIDATED FINANCIAL POSITION

Financial Highlights (in PHP)

FOR THE PERIOD ENDED JUNE 30, 2016 & JUNE 30,2015:

ACCOUNTS	June 30, 2016	June 30, 2015	% CHANGE
CURRENT ASSETS	1,625,735,487	1,795,401,914	-9.45%
NONCURRENT ASSETS	131,380,880	100,070,889	31.29%
TOTAL ASSETS	1,757,116,367	1,895,472,803	-7.30%
CURRENT LIABILITIES	127,330,063	280,090,741	-54.54%
NONCURRENT LIABILITIES	3,856,790	3,428,292	12.50%
TOTAL LIABILITIES	131,186,853	283,519,033	-53.73%
EQUITY	1,625,929,514	1,611,953,770	0.87%
TOTAL LIABILITIES AND EQUITY	1,757,116,367	1,895,472,803	-7.30%

2016 VS 2015: FINANCIAL CONDITION

The increase in noncurrent assets was brought about by the increase in the non current receivable due to the net effect of the collection of account as the units were turned over and the recognition of sales for those units who have completed the 20% collection of down payment. The increase in noncurrent assets is also attributable to the increase in the property and equipment by SOCLand for the cost they recognized on their leasehold improvements. The slight decrease in the current assets was brought about by the 6.74% or P74.91 million drop in Real estate for sale due to recognition of the cost of units sold and payment of progress billing for Althea. Other current assets increased by P9.6 million due to the creditable taxes remitted on fully paid units and refundable deposits for office rental. Althea is the first house and lot project of SOC Land. It is located at Bgy. Zapote in Biñan City Laguna and near Biñan City Hall. The decrease in the current liabilities was due to payment to contractors for Anala Building and payment of accrued commission. The increment in the noncurrent liabilities was caused by the recognition of retirement payable. The slight increase in the total equity was due to the increase in the market value of the company's equity holdings, actuarial gain and the net income of SOC Land amounting to ₱10.8M.

CONSOLIDATED FINANCIAL POSITION
Financial Highlights
(in PHP)

FOR THE PERIOD ENDED JUNE 30, 2015 & JUNE 30,2014:

ACCOUNTS	6/30/2015	6/30/2014	% CHANGE
CURRENT ASSETS	1,795,401,914	1,650,136,433	8.80%
NONCURRENT ASSETS	100,070,889	193,104,426	-48.18%
TOTAL ASSETS	1,895,472,803	1,843,240,859	2.83%
CURRENT LIABILITIES	280,090,741	178,564,560	56.86%
NONCURRENT LIABILITIES	3,428,292	2,961,336	15.77%
TOTAL LIABILITIES	283,519,033	181,525,896	56.19%
EQUITY	1,611,953,770	1,661,714,964	-2.99%
TOTAL LIABILITIES AND EQUITY	1,895,472,803	1,843,240,859	2.83%

2015 VS 2014: FINANCIAL CONDITION

The increase of 2.83% in the total assets of the group is due to the following (1)increase in the installment contract receivable which is a carry-over of the accounts recognized as sales in 2014 based on the revenue recognition policy of the Company; (2) Real estate for sale inched up by 19% or P218 million due to payments made to contractors; (3) Other noncurrent assets increased by 105% due to the recognition of non current creditable input tax attributable to Anala; and (4) Increase in property and equipment is caused by SOCLand's reclassified portion of land that are not intended for sale presented under "Real Estate for Sale" to property and equipment amounting to ₱16.3 million

The increase in the liabilities is attributable to the customers advances and deposits and the complete recognition of payables to contractors pertaining to the construction of "Anala" which was completed last September 2014. of The decrease in total equity is due to slight decrease in the retained earnings brought about by the negative bottomline as of 2ndQ2015.

KEY PERFORMANCE INDICATORS

The following are the major financial ratios of the Company for the period ended June 30, 2016 and June 30, 2015 .

	KEY FINANCIAL RATIOS	June 30, 2016	June 30, 2015
I.	Current/Liquidity Ratios	12.77 x	6.41 x
II.	Solvency Ratio	7.38%	-4.66%
III.	Debt-to-equity ratio (in x)	0.0783 x	0.1738 x
IV.	Asset to Equity Ratio	1.0807 x	1.1759 x
V.	Interest Rate Coverage Ratio	N/A	N/A
VI.	Profitability Ratio		
	Return on Equity (ROE)	0.48%	-0.88%
	Return on Assets (ROA)	0.44%	-0.75%
VII.	Other Relevant Ratios		
	Revenue Growth/ (Decline)	51.80%	112.00%
	Net Income Growth/ (Decline)	155.01%	-25.43%
	EBITDA	Php 9,399,106	(13,058,504)

The increase in cash and cash equivalents has caused the current ratio of 6.41x to increase to 12.77x for this current period June 30,2016. The decrease in total liabilities propels down the solvency ratio as well as the debt to equity ratio.

The revenue growth exhibited an outstanding 51.80% increase due to the recognition of ₱100.9M Real estate sale and other income of ₱15.9M million for the period June 30, 2016 as against ₱71.5M and ₱5.5M respectively, last year June 30, 2015.

There has been an outstanding increase on the net income growth for the company in the current year under report as against last year of the same period due to the net income amounting to ₱10.8M by SOC Land.

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

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

The Company has NO earnings yet from commercial production. Therefore, there were NO dividends declared for the period ended June 30, 2016.

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

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

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

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

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

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

For the period ended June 30,2016, the Company still has no commercial production yet that will enable to support its dividend declaration. It has one wholly owned subsidiary, SOCLand Development Corporation.

The material changes for this year in comparison with the prior year-end based on line items in the comparative financial statements as of June 30, 2016, 2015 and 2014 are summarized as follows:

ACCOUNTS <i>In Millions</i>	For the Period June 30			% CHANGE	
	2016	2015	2014	2016 vs 2015	2015 vs 2014
Statement of Financial Position					
Cash & Cash Equivalents	316.48	274.17	319.32	15.43%	-14.14%
Receivables	206.27	156.36	7.75	31.92%	1916.68%
Real Estate for Sale	1,036.38	1,311.51	1,093.44	-20.98%	19.94%
Due from Related Parties	0.18	0.16	20.55	10.21%	-99.21%
Prepayments & Other Current Assets	66.42	53.20	149.16	24.86%	-64.34%
Receivables - net of current portion	25.20	-	-	100.00%	-100.00%
Available for Sale (AFS) financial assets	38.41	33.03	40.77	16.28%	-18.98%
Property & Equipment	36.07	33.51	16.27	7.65%	105.98%
Input value added tax (VAT)	31.70	31.70	16.33	0.00%	94.15%
Accounts Payable & other Liabilities	77.62	194.19	99.42	-60.03%	95.32%
Customers' deposit & advances	49.71	85.90	78.39	-42.13%	9.58%
Retirement benefit obligation	3.76	3.43	2.96	9.60%	15.77%
Income Taxes Payable	-	-	0.75	-100.00%	-100.00%
Deferred Tax Liabilities	0.10	-	-	100.00%	-100.00%
Retained Earnings - Unappropriated	370.11	369.43	415.64	0.19%	-11.12%
Statement of Comprehensive Income					
REVENUES					
Gain on Sale of Financial Assets	-	-	24.53	-100.00%	-100.00%
Interest Income	1.28	0.78	2.18	65.33%	-64.32%
Sale of real estate	100.99	71.48	11.25	41.29%	535.08%
Dividend Income	0.23	0.17	1.19	36.17%	-86.14%
Other income	15.87	5.52	-	187.80%	100.00%
Foreign Exchange Gain - net	0.00	0.04	1.67	-99.82%	-97.31%
COST AND EXPENSES					
Cost of Real Estate Sold	76.84	55.53	7.34	38.37%	656.86%
Sales and marketing expenses	5.58	11.52	19.55	-51.54%	-41.10%
General and Administrative Expenses	26.72	25.00	22.63	6.87%	10.47%
Provision for Income Tax	1.43	0.12	5.91	1084.58%	-97.96%
Net Gains/(Losses) on AFS Financial Assets	5.66	(3.28)	(22.59)	272.47%	-85.47%

Discussion for January - June 2016 vis-à-vis January - June 2015

Cash & Cash Equivalents

Cash and cash equivalents increased by 15.43% as of 2nd Quarter 2016 as compared to same period last year due to collections from sale of real estate. There has been an increase in the cash collection of SOCLand for its real estate. The parent company earned interest income from its time deposit amounting to ₱1.2M.

Receivable

Receivable increased by 17% brought about by the net effect of the collection of account as the units were already turned over and the recognition of sales for those units who have completed the 20% collection of down payment.

Real Estate for Sale

Real estate for sale dropped up by 6.74% or P74.91 million due to recognition of the cost of units sold and payment of progress billing for Althea.

Due from Related Parties

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

Prepayments and Other Current Assets

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

Available for Sale investments

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

Property and equipment

In 2015, SOC Land recognized ₱4.6M leasehold improvement for their office.

Net gains (losses) on Investments

The company recognized ₱5.66M increased in market value of equity holdings.

Accounts Payable and other liabilities

Accounts payable and other current liabilities dropped by P24.7 million due to payment to contractors for Anala Building, payment of accrued commission and offset of unit owners' deposit against receivable upon take up of sale.

Retirement Benefit obligation

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

Sale of Real estate

Anala sales recognized as of the second quarter 2016 amounted to P100.9 million and ₱71.5M as of 2nd quarter 2015.

Other Income

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

Sales and marketing expense

Bulk of the sales and marketing expenses pertains to Sales commission amounting to ₱2.4M and consultancy fees amounting to ₱1.3M

General and Administrative expense

Bulk of the general and administrative expense pertains to the personnel cost amounting to ₱6.2M, taxes and licenses amounting to ₱6.04M and property management expenses amounting to ₱3.13M.

Discussion for January - June 2015 vis-à-vis January - June 2014

Cash & Cash Equivalents

Cash and cash equivalents decreased by 14.14% as of 2nd Quarter 2015 as compared to same period last year due to payments made by the subsidiary to various contractors for the recently completed "Anala" building for Anuva project. There has been an increase in the cash collection of SOCLand for its real estate sales as of June 30, 2015. There has been no major cash generating revenue for the parent company as of June 30, 2015 except for the dividend income received from domestic stocks holdings amounting to ₱0.16 million and interest income from time deposit of ₱ 0.78 million.

Receivable

Due to the increase in the installment contract receivable.

Real Estate for Sale

Real estate for sale inched up by 19.94% due to payments made to contractors.

Due from Related Parties

Decrease was due to the full payment made by International Pipe Industries, Inc..

Prepayments and Other Current Assets

Pertains to input taxes on the construction of Anala which was already completed as of September 2014.

Other noncurrent assets

Non current creditable input tax amounting to ₱31 million.

Available for Sale investments

The market value of domestic shares of stocks has plummeted during the period.

Property and equipment

In 2014, SOCLand, the subsidiary reclassified portion of land that are not intended for sale presented under "Real Estate for Sale" to property and equipment amounting to ₱16.3 million.

Retained Earnings – unappropriated

The group exhibited a negative bottomline as of 2nd quarter 2015.

Net gains (losses) on Investments

Due to the remarkably lower market value of domestic equity holdings as of 2nd quarter 2015.

Accounts Payable and other liabilities

The increase pertains to the full recognition of liabilities pertaining the construction costs for Anala project.

Retirement Benefit obligation

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

Sale of Real estate

SOC Land recognized sale of real estate amounting to ₱71.48M as of June 30, 2015.

Dividend Income

These are dividend income from holdings of Petron(PCOR) and Manila Water Co.(MWC).

Other Income

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

Sales and marketing expense

Bulk of the sales and marketing expenses pertains to Sales commission amounting to ₱5.4M and fees for Sales consultants amounting to ₱3.5M.

General and Administrative expense

This consists of Personnel costs ₱6.2M, Professional fees of ₱1.6M, Rent and utilities of ₱2.3M, Travel and transportation expense of ₱5.4M and Taxes and Licenses of ₱2.09M.

Results and Plans of Operation

Real Estate : SOC Land

With the completion of the first tandem building ANALA, amenities that highlight the Fun Zone image have been completed. The wading pool, children's playground, al fresco area, cascading water, pond and Trellis Park have been finished for the residents' use and enjoyment. Anala has sold 262 units which corresponds to 51% of the total inventory of which 209 units have been turned over to end users. Out of the units turned over, 57 units are occupied with more than 120 people currently residing in the building.

The second tandem building known as Azalea is currently in a pre-selling stage focusing on the Green Urban Living image with amenities like the reflecting pool, adult and kiddie pool, cascades, picnic groves, clubhouse, garden party and BBQ area. Azalea has sold 43 units which corresponds to 9% of the total inventory.

SOC Land has also ventured into its newest horizontal residential development project, ALTHEA RESIDENCES. Althea has sold a total of 49 units, a combination of lots and house & lots which corresponds to 23% of the total inventory. Three (3) house and lots units have been turned over to owners and are already residing in the subdivision. Utilities such as Meralco and Laguna Water are already completed and fully functional. Perimeter fence covering the whole subdivision has been completed as well as the guard house with boom gates. The interior designs fit-out works for the three (3) model houses is expected to be completed by August 2016. The amenities of the project was already awarded to a chosen contractor with a scheduled start date of construction on August 2016 and target date of completion on December 2016.

Other Energy, Mineral and Resource Based Opportunities

The Company is looking into food production. We believe in the thesis that rising incomes in the Asian region will drive greater protein and food consumption.. The Company has identified about 5000 hectares suitable for agro-industrial development in Palawan and is in discussions with concerned entities for the long term lease of the area.

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

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

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

SIGNATURES

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



SOCResources, Inc.
Issuer

A handwritten signature in black ink, appearing to read "Magilyn T. Loja".

Atty. Magilyn T. Loja
Corporate Secretary

Date : Aug. 19, 2016

A handwritten signature in black ink, appearing to read "Zosimo L. Padro, Jr." with a large, stylized flourish.

Atty. Zosimo L. Padro, Jr.
Vice President - Finance

Date : Aug. 19, 2016

A handwritten signature in blue ink, appearing to read "Ronna C. De Leon".

Ronna C. De Leon
Chief Accountant

Date : Aug. 19, 2016

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

	2016	CY 2015
	June (Unaudited)	December (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	316,483,246	298,808,553
Receivables	206,273,149	177,266,750
Real Estate for Sale	1,036,377,366	1,111,283,626
Due from Related Parties	179,036	166,452
Prepayments and other current assets	66,422,690	54,477,053
Total Current Assets	1,625,735,487	1,642,002,434
Noncurrent Assets		
Receivables - net of current portion	25,203,983	25,203,983
Available-for-sale (AFS) financial assets	38,407,942	32,745,902
Property and equipment - net	36,073,613	37,086,763
Input value added tax (VAT)	31,695,342	31,695,342
Total Noncurrent Assets	131,380,880	126,731,990
TOTAL ASSETS	1,757,116,367	1,768,734,424
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and other liabilities	127,330,063	152,415,502
Total Current Liabilities	127,330,063	152,415,502
Deferred tax liabilities	99,239	99,239
Retirement Benefit Obligation	3,757,551	3,757,551
Total Noncurrent Liabilities	3,856,790	3,856,790
Total Liabilities	131,186,853	156,272,292
EQUITY		
Common Stock - P1 par value		
Authorized - 1 billion shares		
Issued -600,559,569 shares as of June 30,2016 and December 31, 2015	600,559,569	600,559,569
Subscribed -306,000,000 shares as of 2ndQ 2016 and Yearend 2015 (net of subscription receivable of P229,500,000 as of June 30, 2016 and Year end 2015)	76,500,000	76,500,000
Additional paid in capital	72,272,140	72,272,140
Unrealized valuation gains on available for sale investments	11,259,770	5,597,730
Retained Earnings - Appropriated	500,000,000	500,000,000
Retained Earnings - Unappropriated	370,111,592	362,306,250
Treasury Shares	(4,961,650)	(4,961,650)
Actuarial gains on defined benefit plan	188,093	188,093
Total Equity	1,625,929,514	1,612,462,132
TOTAL LIABILITIES AND EQUITY	1,757,116,367	1,768,734,424

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

	As of June 30	
	2016 (Unaudited)	2015 (Unaudited)
ASSETS		
Current Assets		
Cash and cash equivalents	316,483,246	274,174,737
Receivables	206,273,149	156,359,634
Real Estate for Sale	1,036,377,366	1,311,509,242
Due from Related Parties	179,036	162,452
Prepayments and other current assets	66,422,690	53,195,849
Total Current Assets	1,625,735,487	1,795,401,914
Noncurrent Assets		
Receivables - net of current portion	25,203,983	
Available-for-sale (AFS) financial assets	38,407,942	33,030,743
Real estate for development		
Property and equipment - net	36,073,613	33,509,834
Input value added tax (VAT)	31,695,342	33,530,313
Total Noncurrent Assets	131,380,880	100,070,889
TOTAL ASSETS	1,757,116,367	1,895,472,803
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other liabilities	127,330,063	280,090,741
Total Current Liabilities	127,330,063	280,090,741
Deferred tax liabilities	99,239	
Retirement Benefit Obligation	3,757,551	3,428,292
Total Noncurrent Liabilities	3,856,790	3,428,292
Total Liabilities	131,186,853	283,519,033
EQUITY		
Common Stock - P1 par value		
Authorized - 1 billion shares		
Issued -600,559,569 shares as of June 30,2016 and as of June 30, 2015	600,559,569	600,559,569
Subscribed -306,000,000 shares as of 2ndQ 2016 and as of 2ndQ 2015 (net of subscription receivable of P229,500,000 as of 2ndQ2016 and as of 2ndQ2015	76,500,000	76,500,000
Additional paid in capital	72,272,140	72,272,140
Unrealized valuation gains on available for sale investments	11,259,770	(1,953,178)
Retained Earnings - Appropriated	500,000,000	500,000,000
Retained Earnings - Unappropriated	370,111,592	369,427,362
Treasury Shares	(4,961,650)	(4,961,650)
Actuarial gains on defined benefit plan	188,093	109,527
Total Equity	1,625,929,514	1,611,953,770
TOTAL LIABILITIES AND EQUITY	1,757,116,367	1,895,472,803

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

	As of June 30 2016 (Unaudited)	As of December 31 2015 (Audited)
REVENUES		
Sale of real estate	100,988,660	250,260,691
Foreign exchange gains	80	287,439
Interest income	1,283,578	2,079,453
Dividend Income	225,176	273,350
Other Income	15,872,846	18,886,483
	118,370,340	271,787,416
COSTS AND EXPENSES		
Cost of real estate sold	76,835,413	195,967,763
Sales and marketing expenses	5,581,491	28,973,782
General and administrative expenses	26,720,776	66,942,563
	109,137,680	291,884,108
INCOME (LOSS) BEFORE INCOME TAX	9,232,660	(20,096,692)
PROVISION FOR INCOME TAX	1,427,318	1,213,840
NET INCOME (LOSS)	7,805,342	(21,310,532)
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Other comprehensive income (loss) to be reclassified to profit (loss) in subsequent periods:</i>		
Net gains (losses) on AFS financial assets	5,662,040	4,268,083
<i>Other comprehensive income (loss) not to be reclassified to profit (loss) in subsequent periods:</i>		
Actuarial gains (losses) on defined benefit plan	-	78,566
	5,662,040	4,346,649
TOTAL COMPREHENSIVE INCOME (LOSS)	13,467,382	(16,963,883)
Basic/Diluted Income (Loss) Per Share	0.0087	(0.0235)
* Computed as =	$\frac{\text{Net income(loss) for the period}}{\text{Weighted average number of shares}}$	$\frac{7,805,342}{901,920,568} = (21,310,532) / 905,645,387$

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

	As of June 30	
	2016 (Unaudited)	2015 (Unaudited)
REVENUES		
Sale of real estate	100,988,660	71,476,294
Foreign exchange gains	80	44,834
Gain on Sale of AFS Financial Assets	-	
Interest income	1,283,578	776,353
Dividend Income	225,176	165,363
Other Income	15,872,846	5,515,296
	118,370,340	77,978,139
COSTS AND EXPENSES		
Cost of real estate sold	76,835,413	55,527,327
Sales and marketing expenses	5,581,491	11,516,573
General and administrative expenses	26,720,776	25,003,169
Foreign exchange losses	-	
	109,137,680	92,047,068
INCOME (LOSS) BEFORE INCOME TAX	9,232,660	(14,068,929)
PROVISION FOR INCOME TAX	1,427,318	120,491
NET INCOME (LOSS)	7,805,342	(14,189,420)
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Other comprehensive income (loss) to be reclassified to profit (loss) in subsequent periods:</i>		
Net gains (losses) on AFS financial assets	5,662,040	(3,282,825)
<i>Other comprehensive income (loss) not to be reclassified to profit (loss) in subsequent periods:</i>		
Actuarial gains (losses) on defined benefit plan	-	
	5,662,040	(3,282,825)
TOTAL COMPREHENSIVE INCOME (LOSS)	13,467,382	(17,472,245)
Basic/Diluted Income (Loss) Per Share	0.0087	(0.0157)
* Computed as = $\frac{\text{Net income(loss) for the period}}{\text{Weighted average number of shares}}$	7,805,342	(14,189,420)
	901,920,568	901,920,568

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

	For the quarter ended April 01 - June 30	
	2016	2015
REVENUES		
Sale of real estate	64,242,300	71,476,293.50
Gain on Sale of AFS Financial Assets	-	
Foreign Exchange Gains	122,020	47,390
Interest Income	637,348	713,047
Dividend Income	225,176	165,363
Other Income	10,422,183	3,208,461
	75,649,026	75,610,554
COST AND EXPENSES		
Cost of real estate sold	47,716,108	55,527,327
General and administrative expenses	11,890,929	12,696,768
Sales and marketing expenses	3,185,603	5,957,403
Foreign exchange losses	-	
	62,792,639	74,181,498
INCOME (LOSS) BEFORE INCOME TAX	12,856,387	1,429,056
PROVISION FOR INCOME TAX	1,111,585	120,491
NET INCOME (LOSS) FOR THE QUARTER	11,744,802	1,308,565
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:</i>		
Net gains (losses) on AFS financial assets	2,182,652	(1,935,481)
	2,182,652	(1,935,481)
TOTAL COMPREHENSIVE INCOME (LOSS)	13,927,454	(626,916)

Basic /Diluted Income (Loss) Per Share for the Quarter	0.0130	0.0015
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* Computed as	=	Net income(loss) for the period	11,744,802	1,308,565
		Weighted average number of shares	901,920,568	901,920,568

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

	As of June 30		As of December 31
	2016	2015	2015
	(Unaudited)	(Unaudited)	(Audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	7,811,091	(14,189,420)	(20,096,692)
Adjustments for:			
Retirement Benefit Expense	-		507,064
Depreciation and amortization	1,593,764	1,130,917	2,344,875
Provision for impairment loss on AFS Financial Assets	-		7,835,749
Unrealized foreign exchange losses (gains)	(80)	(44,760)	(287,439)
Interest income	(1,311,477)	(802,138)	(2,079,453)
Dividend Income	(225,176)	(165,363)	(273,350)
Operating loss before working capital changes	7,868,121	(14,070,764)	(12,049,246)
Changes in Assets and Liabilities:			
Receivables	(28,965,565)	4,208,927	(41,902,172)
Due from Related Parties	-		(16,052)
Real Estate for Sale	74,906,259	53,930,291	157,307,606
Other Current Assets	(9,614,760)	(5,777,209)	
Prepayments and other current assets	(2,336,625)	(214,237)	(7,272,650)
Accounts Payable & Accrued Expenses	(25,085,436)	(46,589,069)	(77,416,007)
Cash flows generated from (used in) operations	16,771,994	(8,512,060)	18,651,479
Interest received	1,270,642	802,138	2,079,453
Income tax paid	-	-	(1,213,840)
Net cash flows from (used in) in operating activities	18,042,636	(7,709,921)	19,517,092
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions:			
Property and equipment	(580,614)	(95,555)	(4,886,443)
Decreases (Increases) in:			
Project Advances	-	(1,834,971)	
Advances to Related Parties	(12,584)	(12,052)	
Dividend Received	225,176	165,363	273,350
Net cash flows from (used in) investing activities	(368,022)	(1,777,216)	(4,613,093)
CASH FLOWS FROM A FINANCING ACTIVITY			
Collection of subscriptions receivable	-	52,500	52,500
Net cash flows from (used in) iFinancing activities	-	52,500	52,500
EFFECT OF EXCHANGE RATE CHANGES			
ON CASH AND CASH EQUIVALENTS	80	44,760	287,439
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	17,674,694	(9,389,877)	15,243,938
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	298,808,552	283,564,615	283,564,615
CASH AND CASH EQUIVALENTS AT END OF YEAR	316,483,246	274,174,737	298,808,553

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

	Common Stock		Additional	Retained Earnings		Unrealized	Actuarial gains	Treasury	TOTAL
	Issued	Subscribed - Net	Paid-In Capital	Appropriated	Unappropriated	Gains/(Loss) on AFS Financial Assets	(losses) on defined benefit plan	Shares	
Balances at January 01,2015	600,489,569	76,517,500	72,272,140	500,000,000	383,616,782	1,329,647	109,527	(4,961,650)	1,629,373,515
Collections of Subscription Receivable		(17,500)							(17,500)
Issuance of Common Stock	70,000								70,000
Acquisition of Treasury Shares									-
Total Comprehensive Income 2ndQ 2015					(14,189,420)	(3,282,825)			(17,472,245)
Balances at June 30,2015	600,559,569	76,500,000	72,272,140	500,000,000	369,427,362	(1,953,178)	109,527	(4,961,650)	1,611,953,770
Balances at January 01,2016	600,559,569	76,500,000	72,272,140	500,000,000	362,306,250	5,597,730	188,093	(4,961,650)	1,612,462,132
Collections of Subscription Receivable									-
Issuance of Common Stock									-
Acquisition of Treasury Shares									-
Total Comprehensive Income 2ndQ 2016					7,805,342	5,662,040			13,467,382
Balances at June 30,2016	600,559,569	76,500,000	72,272,140	500,000,000	370,111,592	11,259,770	188,093	(4,961,650)	1,625,929,514

SOCRESOURCES, INC. AND SUBSIDIARY

Schedule 3: Other long term investments and other Investments

Available for Sale Financial Assets

As of June 30, 2016

In Philippine Peso unless stated

Name of Issuing Entity & Description of Investment	Number of Shares or Principal Amount of Bonds & Notes	Value Based on Market Quotations at the end of Reporting Period	Dividends, Interest Received from Investments not accounted for by the equity Method
Investment in Shares of Stocks			
<i>Listed - Domestic</i>			
Aboitiz Equity Ventures, Inc.	7,800	600,600	
Lepanto Consolidated Mining Company "A"	2,078,000	507,032	
Manila Mining Corporation "A"	26,480,000	317,760	
Manila Water Company, Inc.	265,000	7,168,250	
Petron	1,147,500	12,714,300	
		21,307,942	-
<i>Not Listed - Domestic</i>			
Wackwack Golf & Country Club	1	17,000,000	
Southwest Resources, Inc.		3,333,500	
Mt. Malarayat Golf & Country Club	1	100,000	
		20,433,500	
Allowance for Impairment on AFS - Unlisted		(3,333,500)	
		17,100,000	
TOTAL AVAILABLE FOR SALE FINANCIAL ASSETS		38,407,942	

SOCResources, Inc. and Subsidiary

Schedule 4: Aging of Consolidated Accounts Receivable
As of June 30,2016

Accounts Receivable	CURRENT					PAST DUE			Past due accounts & Items in Litigation
	Total	1 Month	2-3 Mos.	4-6 Mos.	7 Mos. To 1 Year	1-2 Years	3-5 Years	5 Years - Above	
1 Installment Contract Receivable	192,527,035	189,990,269	1,097,379	750,635	688,752	-	-	-	
2 Advances to Suppliers & Contractors	6,217,307	141,027	373,000	93,534	49,525	5,560,220	-	-	
3 Officers and employees	22,269,405	15,311,279	517,844	120,804	2,000,000	269,478	50,000	4,000,000	
4 IGC Securities, Inc.	71,846	-	-	-	-	71,846	-	-	
5 SSS	8,400	-	-	-	-	-	-	8,400	
6 Unit Owners	9,390,098	9,390,098	-	-	-	-	-	-	
7 Others	1,172,077	750,414	117,762	19,197	22,471	123,445	40,426	98,362	
Subtotal	231,656,168	215,583,087	2,105,985	984,171	2,760,747	6,024,989	90,426	4,106,762	
Less: Allow. For Impairment losses on receivables	-	-	-	-	-	-	-	-	-
A/R - net	231,656,168	215,583,087	2,105,985	984,171	2,760,747	6,024,989	90,426	4,106,762	NONE
Net Receivables	231,656,168	215,583,087	2,105,985	984,171	2,760,747	6,024,989	90,426	-	NONE

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

Accounts Receivable Description :

Type of A/R :	Nature/Description	Collection Period
1) Amount owed by a related party	Receivable from third party IPI Industries, Inc. (Principal & Interest)	monthly payment of interest & quarterly payment of principal
2) Officers and employees	Advances to employees for emergency purpose on a 1 year term payable monthly	monthly
3) Others	Receivable from third party	past due yet collectible
Notes : Indicate a brief description of the nature and collection period of each receivable accounts with major balances or separate receivable captions, both for trade and non-trade accounts.		

Normal Operating Cycle: 1 (one) year

SOCRESOURCES, INC. AND SUBSIDIARY

Schedule 5: Amounts Receivable from Related Parties which are eliminated during the consolidation of Financial Statements
As of June 30, 2016

		Beginning Balance	Additions	Ending Balance
		December 31, 2015		June 30, 2016
SOC Land Development, Corp.		1,234,526,298	1,350,851	1,235,877,150

SOCRESOURCES, INC. AND SUBSIDIARY

Schedule 7: Key Performance Indicator

	<u>KEY FINANCIAL RATIOS</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
I.	Current/Liquidity Ratios	12.77 x	6.41 x
II.	Solvency Ratio	7.38%	-4.66%
III.	Debt-to-equity ratio (in x)	0.0783 x	0.1738 x
IV.	Asset to Equity Ratio	1.0807 x	1.1759 x
V.	Interest Rate Coverage Ratio	N/A	N/A
VI.	Profitability Ratio		
	Return on Equity (ROE)	0.48%	-0.88%
	Return on Assets (ROA)	0.44%	-0.75%
VII.	Other Relevant Ratios		
	Revenue Growth/ (Decline)	51.80%	112.00%
	Net Income Growth/ (Decline)	155.01%	-25.43%
	EBITDA	Php 9,399,106	(13,058,504)

SOCRESOURCES, INC. AND SUBSIDIARY

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

As of June 30, 2016 and June 30, 2015

