

COVER SHEET

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SEC Registration Number

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(Company's Full Name)

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

| |
|-----------------------------|
| Atty. Ericson O. Ang |
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(Contact Person)

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|--------------------------|
| 722-5417/722-8078 |
|--------------------------|

(Company Telephone Number)

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Month Day
(Fiscal Year)

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Month Day
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(Secondary License Type, If Applicable)

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Dept. Requiring this Doc.

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Amended Articles Number/Section

| |
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| 16 |
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Total No. of Stockholders

| | |
|-------------------------|--|
| 1,017,910,927.00 | |
|-------------------------|--|

Domestic

| |
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| |
|--|

Foreign

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, 2022
2. Commission Identification Number 133828
3. BIR Tax Identification Number 420-000-188-756
4. Exact name of issuer as specified in its charter: PRIMEX CORPORATION
5. Province, country or other jurisdiction of incorporation or organization: Metro Manila
6. Industry Classification Code: _____ (SEC Use Only)
7. Address of Issuer's principal office and postal code:

Ground Fl., Richbelt Terraces , #19 Annapolis St., Greenhills, San Juan 1502
8. Issuer's Telephone Number, including area code: (632) 722-8078
9. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

As of March 31, 2022

Title of each class

Number of shares issued and outstanding

Common shares

1,661,666,665

Amount of Debt Outstanding

Php 172,900,519.00

10. Are any or all of the securities listed on a stock exchange?
Yes [] No [x]

Stock Exchange: Philippine Stock Exchange

Securities Listed: Common shares

11. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC 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.

Yes [x] No []

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

Yes [x] No []

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

1. Comparative Consolidated Statement of Financial Position
2. Comparative Consolidated Statement of Income
3. Consolidated Statement of Cash Flow
4. Aging of Accounts Receivables
5. Statement of Changes in Stockholders' Equity

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

PART II - OTHER INFORMATION

The Company is not in possession of any information which may, at its option, be reported under this item and which would otherwise be required to be filed in a report on SEC Form 17-C.

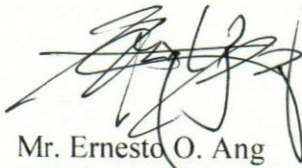
SIGNATURE

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.

PRIMEX CORPORATION

Issuer

by:



Mr. Ernesto O. Ang
President/Chief Executive Officer



Mr. Edgard O. Ang
Treasurer/Chief Financial Officer

DATE: May 12, 2022

NOTES TO FINANCIAL STATEMENTS

- * The financial statements have been prepared in accordance with the accounting standards generally accepted in the Philippines.
- * The same accounting policies and methods of computation have been consistently followed in the interim financial statements and are consistent with those used in the most recent annual financial statements.
- * No dividends on any class of shares were paid by the company in the first three months of 2022.
- * In the normal course of operations of the company, commitments, guarantees and contingent liabilities may arise but are not reflected in the accompanying financial statements. However, it is the opinion of the company that losses, if any, from these items will not have any material effect on the financial statements.
- * For the current interim period, no unusual changes occurred that may affect the company's assets, liabilities, equity, net income or cash flows.
- * There were no changes in estimates of amounts reported in prior interim periods of the current financial year that will have a material effect in the current interim period.
- * No issuances, repurchases, repayments of debts and equity securities were made during the interim period.
- * There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.
- * There were no changes in the company's composition during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.
- * There were no changes in contingent liabilities or contingent assets since the last annual balance sheet.
- * There are no known events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
- * There are no 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.
- * There are no material commitments for capital expenditures.

- * The Company has no investments in foreign securities.
- * There are no known trends, demands, commitments, events or uncertainties that will have a material impact on the liquidity of the company.
- * The Company's financial condition and operating results would not be materially affected by the current global condition, particularly on currency, interest, credit and liquidity risks.

Currency Risk

The Company's risk exposure to foreign currency fluctuations is nil since no commercial or sales transactions nor recognized assets or liabilities are denominated in any foreign currency. Any fluctuation thus will not affect the company's financial position.

Interest Rate Risk

The primary source of the Company's interest rate risk relates to debt instruments but its current no debt financial position provides the company with sufficient shield from interest rate changes.

Credit Risk

The Company's credit risk is mainly centered on installment receivables. The company maintains a defined credit policies and continuously monitor its exposure to credit risks. The company's policy of effecting registration of transfer of ownership only upon full payment effectively minimizes its credit risk.

Liquidity Risk

The company manages its liquidity position with the end view of insuring its operating needs. Liquid assets include cash and cash equivalents and contract receivables. An efficient collection of contract receivables will effectively counter any liquidity risk and manage short-term obligations.

* The Company's top key performance indicators are as follows:

1. Sales Volume Growth

Measures the percentage change in sales volume over a specific period of time. Sales volume growth is regularly monitored based on project location and classification. For the 1st quarter of the year 2022, no real estate sales were made, as compared with the Php 26.086 M real estate sales recorded during the previous quarter.

2. Revenue Growth

Measures the percentage change in revenues over a specific period of time. Revenue growth is regularly monitored based on all sources of revenues. Total revenues earned for the quarter was Php 19.188 M, as against the Php 11.240 M of the last quarter of 2021.

3. Realized Gross Profit on Sales

Measures the amount of profit derived from sales over a specific period of time. It is the amount of real estate sales less cost of development. No Realized Gross Profit was earned as compared with the Php 23.902 M during the previous quarter.

4. Operating Margin

Measures general expenditures and operating efficiency. It is the ratio of operating income to sales. An operating loss of Php 14.543 M was incurred for the 1st quarter as compared with the operating loss of Php 15.967 M of the previous quarter.

5. Asset Growth

Measures the percentage change in Total assets over a specific period of time. Total Assets recorded a 4.4 % rise, from Php 4,067.142 M at the end of the fourth quarter of 2021 to Php 4,248.530 M as of the end of the 1st quarter of 2022.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

Result of Operations

Three months ended March 31, 2022 compared to three months ended March 31, 2021

For the first three months of the year 2022 ended March 31, the Company did not consummate any Real estate sales, the same no reported real estate sales for the same period last year. This resulted in no realized gross profit from sales for the same period for this and last year. Total Expenditures for the 3-month period was down by 8.7 %, from Php 15.967 M of the same period last year to Php 14.543 M for the 1st period this year. No significant changes were reported under Salaries, Bonuses and Employees' Benefits; Taxes and Licenses was down by 35 % over the same period last year, from Php 6.732 M to Php 4.244 M on account of early payment of real estate taxes during the first period last year; Reduced utilization of company heavy equipment was responsible for the 27 % decline in Gas & Oil, from Php 0.144 M to Php 0.104 M; Security service expense, which was Php 0.516 M in the same period last year, dropped to Php 0.354 M; Professional Fees paid for the period was nil as compared with the Php 0.022 M incurred for the same period last year on account of fees paid for public relations services while Repairs and Maintenance was down by 71 %, from Php 0.266 M to Php 0.077 M on account of less maintenance repairs; The 28 % rise under Miscellaneous expense as compared with the same period this year was due to more sales and marketing activities. Interest expense dropped from Php 1.412 M to Php 1.238 M as some of the interest expense was capitalized.

Revenues from Other Income sources earned during the 1st quarter amounted to Php 15.112 M, a drop of 21 % from the Php 19.188 M earned during the same period last year. Interest Income decreased by 83 %, from Php 0.610 M to Php 0.122 M on account of maturity of installment sales contracts. Rental Income, which was Php 18.553 M for the same period last year, slid to Php 14.974 M, as some rental were either discounted or partially waived. With no real estate sales earned during the 3-month period and the slight reduction in general expenses, the Company still managed to record an income before tax of Php 0.569 M, as compared with the Php 3,220 M income earned during the same period last year.

Financial Condition

The Company's Balance sheet reflects a 4.5 % rise in Total resources. Total Assets, which stood at Php 4,067.142 M as of yearend 2021, is now pegged at Php 4,248.530 million. Cash on hand, which stood at Php 67.020 M at yearend 2021, was down to Php 48.220 M as of March 31, 2022 due to payment of construction supplies. Contract Receivables decreased by 10 % while Real Estate held for Sale rose 7 %. Accounts and other payables remained almost unchanged while Total Current Liabilities dropped by 9 %..

There are no material events and uncertainties known to management that would impact or change the reported financial information and condition of the company.

PART II – OTHER INFORMATION

There were no other disclosures other than those made under SEC Form 17-C.

PRIMEX CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31,2022 AND DEC. 31,2021

| | UNAUDITED | AUDITED |
|---|----------------------|----------------------|
| | 31-Mar-22 | 31-Dec-21 |
| ASSETS | | |
| CURRENT ASSETS | | |
| CASH AND CASH EQUIVALENTS | 48,220,716 | 67,020,331 |
| RECEIVABLES | 42,724,926 | 47,069,400 |
| ADVANCES TO CONTRACTOR | 65,076,268 | 65,076,268.00 |
| REAL ESTATE HELD FOR SALE & DEVELOPMENT COST | 3,139,646,993 | 2,954,209,299 |
| OTHER CURRENT ASSETS | 217,271,897 | 191,516,479 |
| TOTAL CURRENT ASSETS | 3,512,940,800 | 3,324,891,777 |
| NONCURRENT ASSETS | | |
| RECEIVABLES - NET OF CURRENT PORTION | 7,211,098 | 7,211,098 |
| INVESTMENT PROPERTIES | 484,571,304 | 490,494,789 |
| INVESTMENT IN AN ASSOCIATE | 228,348,543 | 228,348,543 |
| PROPERTY AND EQUIPMENT | 8,639,922 | 9,615,089 |
| DEFERRED TAX ASSETS | 1,455,594 | 1,217,156 |
| OTHER NONCURRENT ASSETS | 5,363,725 | 5,363,725 |
| TOTAL NONCURRENT ASSETS | 735,590,186 | 742,250,400 |
| TOTAL ASSETS | 4,248,530,987 | 4,067,142,177 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| SHORT-TERM LOANS | 17,230,498 | 23,202,720.00 |
| ACCOUNTS AND OTHER PAYABLES | 485,046,743 | 484,296,807 |
| CONTRACT LIABILITIES | 19,904,504 | 19,904,504 |
| LEASE LIABILITIES - CURRENT PORTION | 4,116,223 | 4,116,223 |
| TOTAL CURRENT LIABILITIES | 526,297,967 | 531,520,254 |
| NONCURRENT LIABILITIES | | |
| LONG-TERM LOANS | 1,636,386,519 | 1,450,386,519 |
| LEASE LIABILITIES - NET OF CURRENT PORTION | 2,605,541 | 2,605,541 |
| PENSION LIABILITY | 8,872,402 | 8,872,402 |
| DEFERRED TAX LIABILITY | 962,878 | 962,878 |
| REFUNDABLE DEPOSITS | 9,236,902 | 9,252,810 |
| TOTAL NONCURRENT LIABILITIES | 1,658,064,242 | 1,472,080,150 |
| TOTAL LIABILITIES | 2,184,362,209 | 2,003,600,404 |
| STOCKHOLDERS' EQUITY | | |
| EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF PRIMEX CORP. | | |
| CAPITAL STOCK | 468,833,695 | 468,833,695 |
| ADDITIONAL PAID-IN CAPITAL | 1,086,352,638 | 1,086,352,638 |
| RETAINED EARNINGS | 470,503,619 | 469,925,833 |
| OTHER EQUITY RESERVES | 39,821,375 | 39,821,375 |
| REMEASUREMENT GAIN ON DEFINED BENEFIT OBLIGATION | (1,342,549) | (1,391,768) |
| TOTAL STOCKHOLDERS' EQUITY | 2,064,168,778 | 2,063,541,773 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | 4,248,530,987 | 4,067,142,177 |

PRIMEX CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF INCOME
FOR THE PERIOD ENDED MARCH 31,2022 AND 2021

| | UNAUDITED | |
|---|------------------------|-----------------------|
| | Jan. 1 - March 31,2022 | Jan.1 - March 31,2021 |
| INCOME | | |
| REALIZED GROSS PROFIT | - | - |
| TOTAL INCOME | - | - |
| SELLING, GENERAL AND ADMINISTRATIVE EXPENSES | | |
| SALARIES, BONUSES, AND EMPLOYEES BENEFITS | 1,913,728 | 1,892,583 |
| TAXES, LICENSES, AND FEES | 4,244,409 | 6,732,860 |
| GAS AND OIL | 104,993 | 144,503 |
| DEPRECIATION EXPENSE | 4,708,610 | 3,401,568 |
| BROKER'S FEE | 364,573 | 477,825 |
| SECURITY SERVICES | 354,214 | 516,499 |
| PROFESSIONAL FEE | - | 22,765 |
| REPAIRS AND MAINTENANCE | 77,872 | 266,984 |
| MISCELLANEOUS | 1,410,840 | 1,100,012 |
| PARKING FEE | 125,781 | |
| INTEREST EXPENSE | 1,238,459 | 1,412,226 |
| TOTAL | 14,543,480 | 15,967,826 |
| NET INCOME (LOSS) FROM OPERATION | (14,543,480) | (15,967,826) |
| OTHER INCOME - NET | | |
| OTHER INCOME | 15,388 | 25,197 |
| INTEREST INCOME | 122,516 | 610,125 |
| RENTAL INCOME | 14,974,815 | 18,553,205 |
| TOTAL | 15,112,719 | 19,188,526 |
| INCOME (LOSS) BEFORE INCOME TAX | 569,239 | 3,220,701 |
| PROVISION FOR INCOME TAX | | |
| CURRENT | 142,310 | 966,210 |
| TOTAL | 142,310 | 966,210 |
| NET/CONSOLIDATED INCOME (LOSS) AFTER TAX | 426,929 | 2,254,491 |
| ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT | 426,929 | 2,254,491 |
| ATTRIBUTABLE TO NON-CONTROLLING INTEREST | | |
| TOTAL | 426,929 | 2,254,491 |
| COMPUTATION OF EPS IS AS FOLLOWS | | |
| NET INCOME (LOSS) | 426,929 | 2,254,491 |
| DIVIDED BY WEIGHTED AVERAGE NUMBER OF COMMON SHARES | 2,344,168,472 | 1,661,666,665 |
| EARNINGS PER SHARE | 0.000182 | 0.0014 |

PRIMEX CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
AS OF MARCH 31, 2021 AND 2020

| | 31-Mar-22 | 31-Mar-21 |
|--|----------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| NET INCOME (LOSS) | 426,929 | 2,254,491 |
| ADJUSTMENT FOR: | | |
| DEPRECIATION/AMORTIZATION | 4,708,610 | 3,401,568 |
| OPERATING INCOME BEFORE CHANGES IN WORKING CAPITAL | | |
| CHANGES IN OPERATING ASSETS AND LIABILITIES | | |
| DECREASE (INCREASE) IN: | | |
| RECEIVABLES | 4,344,474 | 1,521,295 |
| ADVANCES TO CONTRACTOR | (0) | 63,698,630 |
| REAL ESTATE HELD FOR SALE AND DEVELOPMENT | (185,437,694) | (163,723,305) |
| LAND AND IMPROVEMENT | | |
| OTHER ASSETS | (25,993,856) | (17,343,851) |
| INCREASE (DECREASE) IN: | | |
| ACCOUNTS AND OTHER PAYABLES | 749,935 | (259,515,372) |
| REFUNDABLE DEPOSIT | (15,908) | (2,188,866) |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | (201,217,510) | (435,594,040) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| (ACQUISITION) DISPOSALS OF PROPERTY AND EQUIPMENT | (3,733,443) | (1,696,460) |
| DECREASE (INCREASE) IN: | | |
| INVESTMENT PROPERTIES | 5,923,485 | 3,911,681 |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | 2,190,041 | 2,215,221 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| INCREASE (DECREASE) IN CAPITAL | - | |
| SHORT TERM LOAN | (5,972,222) | (5,972,223) |
| LONG TERM LOAN | 186,000,000 | 50,126,286 |
| PROCEEDS FROM ISSUANCE OF CAPITAL STOCK | - | 401,301,369 |
| RETAINED EARNINGS | 150,857 | |
| REMEASUREMENT GAIN ON DBO | 49,219 | |
| NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES | 180,227,854 | 509,154,062 |
| NET INCREASE (DECREASE) IN CASH ON HAND AND IN BANK | (18,799,615) | 75,775,244 |
| CASH ON HAND AND IN BANK AT BEGINNING OF YEAR | 67,020,331 | 29,196,291 |
| CASH ON HAND AND IN BANK AT END OF QUARTER | 48,220,716 | 104,971,535 |

**PRIMEX CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS OF MARCH 31,2022 AND 2021**

| | UNAUDITED | |
|---|----------------------|----------------------|
| | 31-Mar-22 | 31-Mar-21 |
| CAPITAL STOCK P0.20 PAR VALUE | | |
| AUTHORIZED - 4,500,000,000 SHARES | | |
| ISSUED AND OUTSTANDING | 468,833,694 | 464,039,174 |
| SUBSCRIBED AND OUTSTANDING | | |
| TOTAL CAPITAL STOCK | 468,833,694 | 464,039,174 |
| ADDITIONAL PAID-IN CAPITAL | 1,086,352,638 | 1,056,147,158 |
| ACTUARIAL GAIN/(LOSS) ON DEFINED BENEFIT OBLIGATION | (1,342,549) | (1,769,755) |
| RETAINED EARNINGS | | |
| Balance at Beginning of Year | 470,076,690 | 507,319,390 |
| Other Equity Reserve | 39,821,375 | 39,821,375 |
| Net Income | 426,929 | 2,254,491 |
| Balance at End of Year | 510,324,994 | 549,395,256 |
| NON-CONTROLLING INTEREST | | |
| TOTAL STOCKHOLDERS' EQUITY | 2,064,168,777 | 2,067,811,833 |

**PRIMEX CORPORATION AND SUBSIDIARY
CONSOLIDATED AGING OF CONTRACT RECEIVABLES
AS OF MARCH 31,2022**

| | < 30 DAYS | 30 - 60 DAYS | > 60 DAYS | TOTAL |
|----------------------|-----------|--------------|-----------|------------|
| CONTRACT RECEIVABLES | 7,852,731 | - | 2,903,006 | 10,755,738 |