

**APO PRODUCTION UNIT, INC. (APO-PUI)
Validated 2023 Performance Scorecard**

	Component				APO-PUI Submission		GCG Validation		Supporting Documents	Remarks												
	Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating											
FINANCE	SO 1	Revenue Growth																				
		Revenue Growth from Previous Year																				
	SM 1	a. QC and Lima Plant	Actual Total Revenues	30%	Actual / Target	₱2,286.59 M	₱2,974.83 M	-	₱2,975.55 M	30.00%	- APO PUI's 2023 COA-audited Financial Statements (FS) and Notes to FS - Breakdown of Delivered Sales for 2023 from APO-PUI	<table border="1"> <thead> <tr> <th>Plant</th> <th>Amount (P)</th> </tr> </thead> <tbody> <tr> <td>Delivered Sales - QC</td> <td>2,539,479,568.05</td> </tr> <tr> <td>Delivered Sales - Lima</td> <td>436,074,010.54</td> </tr> <tr> <td>Total QC and Lima</td> <td>2,975,553,578.59</td> </tr> </tbody> </table> APO-PUI exceeded by 30.13% its annual target of ₱2.287 billion for 2023 sales revenues from its QC plant and Lima plant.	Plant	Amount (P)	Delivered Sales - QC	2,539,479,568.05	Delivered Sales - Lima	436,074,010.54	Total QC and Lima	2,975,553,578.59		
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	b. Joint Venture Company	10%	Actual / Target	₱3,839.21 M	₱2,418.76 M	-	₱2,418.76 M	6.30%	- APO PUI's 2023 COA-audited Financial Statements (FS) and Notes to FS - Breakdown of Revenue for Joint Venture Company	<table border="1"> <thead> <tr> <th>Plant</th> <th>Amount (P)</th> </tr> </thead> <tbody> <tr> <td>Delivered Sales - DFA</td> <td>2,373,876,005.36</td> </tr> <tr> <td>Delivered Sales - OWWA</td> <td>62.50</td> </tr> <tr> <td>Delivered Sales - DTI</td> <td>43,657,142.86</td> </tr> <tr> <td>Delivered Sales - DENR</td> <td>1,225,669.64</td> </tr> <tr> <td>Total JV Revenues</td> <td>2,418,758,880.36</td> </tr> </tbody> </table> APO-PUI's actual Joint Venture sales in 2024 were 37% short of the target of ₱3,839.21 million for 2023.	Plant	Amount (P)	Delivered Sales - DFA	2,373,876,005.36	Delivered Sales - OWWA	62.50	Delivered Sales - DTI	43,657,142.86	Delivered Sales - DENR	1,225,669.64	Total JV Revenues	2,418,758,880.36
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		Sub-total	40%				-		36.30%													

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Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating															
SO 2	To Maintain Healthy Cash Flow from Operations																						
SM 2	EBITDA	Net Income + Interest + Taxes + Depreciation + Amortization	15%	Actual / Target	₱526.79 M	₱556.44 M	-	₱568.43 M	15.00%	- APO PUI's 2023 COA-audited Financial Statements (FS) and Notes to FS	<table border="1"> <thead> <tr> <th>Items</th> <th>2023 Amount</th> </tr> </thead> <tbody> <tr> <td>Net Income</td> <td>383,240,510</td> </tr> <tr> <td>Income Taxes</td> <td>130,968,332</td> </tr> <tr> <td>Interest Expense</td> <td>7,996,723</td> </tr> <tr> <td>Depreciation</td> <td>46,226,055</td> </tr> <tr> <td>EBITDA</td> <td>568,431,620</td> </tr> </tbody> </table> <p>The actual EBITDA for 2023 was ₱568.44 million, representing a 53.46% increase from the 2022 EBITDA figure. APO exceeded the 2023 EBITDA target of ₱526.79 million by 7.90%.</p>	Items	2023 Amount	Net Income	383,240,510	Income Taxes	130,968,332	Interest Expense	7,996,723	Depreciation	46,226,055	EBITDA	568,431,620
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SO 3	To Maximize Returns to the National Government																						
SM 3	Dividends Remittance to the National Government (NG)	Actual Remittance	15%	Actual / Target	₱91.40 M	₱152.16 M	-	₱ 152.16M	15.00%	- Schedule of Dividends (CY 2020 & 2021) - Official Receipts issued by the Bureau of Treasury	<table border="1"> <thead> <tr> <th>2023 Quarter</th> <th>Remittance</th> </tr> </thead> <tbody> <tr> <td>Q1</td> <td>27,928,947.35</td> </tr> <tr> <td>Q2</td> <td>27,928,947.35</td> </tr> <tr> <td>Q3</td> <td>11,171,578.94</td> </tr> <tr> <td>Q4</td> <td>85,130,100.00</td> </tr> <tr> <td>Total</td> <td>152,159,573.64</td> </tr> </tbody> </table> <p>The remittances made from the 1st to the 3rd quarter of 2023 were for Dividend Year 2020 and the 4th quarter remittance was for Dividend Year 2021. APO-PUI exceeded the target by 66.47%.</p>	2023 Quarter	Remittance	Q1	27,928,947.35	Q2	27,928,947.35	Q3	11,171,578.94	Q4	85,130,100.00	Total	152,159,573.64
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		Sub-total	30%				-		30.00%														

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	SO 4	To Utilize Funds Based on Approved Budget																																															
	SM 4	Budget Utilization Rate (BUR)	Actual Disbursement / Total Approved COB (Both Net and PS Cost)	3%	Actual / Target	90%	110%	-	65.75%	2.19%	<p>- Budget Utilization Report 2023 for the year ended 31 December 2023</p> <p>- APO PUI's 2023 COA-audited Financial Statements (FS)</p> <table border="1"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="3">(in million P)</th> </tr> <tr> <th>MOOE</th> <th>CO</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>COB</td> <td>191.98</td> <td>35.11</td> <td>227.08</td> </tr> <tr> <td>Realignment from Direct Cost</td> <td>82.35</td> <td>0.00</td> <td>82.35</td> </tr> <tr> <td>Total Universe</td> <td>274.32</td> <td>35.11</td> <td>309.43</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="3">(in million P)</th> </tr> <tr> <th>MOOE</th> <th>CO</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>Total Universe</td> <td>274.32</td> <td>35.11</td> <td>309.43</td> </tr> <tr> <td>Actual Utilization as per COA AAR</td> <td>194.00</td> <td>9.46</td> <td>203.45</td> </tr> <tr> <td>Utilization Rate</td> <td>70.72%</td> <td>26.94%</td> <td>65.75%</td> </tr> </tbody> </table> <p>The realignments of the budget for MOOE were sourced from other MOOE items and the budget for "Direct Cost" which is the "Cost of Goods and Services" line item in the COB. On the other hand, the realignment for CO items were made exclusively among CO items. Therefore, there was an increase in the Board-approved MOOE level, but the CO level remained the same.</p>	Category	(in million P)			MOOE	CO	TOTAL	COB	191.98	35.11	227.08	Realignment from Direct Cost	82.35	0.00	82.35	Total Universe	274.32	35.11	309.43	Category	(in million P)			MOOE	CO	TOTAL	Total Universe	274.32	35.11	309.43	Actual Utilization as per COA AAR	194.00	9.46	203.45	Utilization Rate	70.72%	26.94%	65.75%
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Utilization Rate	70.72%	26.94%	65.75%																																														
		Sub-total		3%				-		2.19%																																							
	SO 5	To Provide the Best Customer Service																																															
CUSTOMER /	SM 5	Percentage of Satisfied Customers	Number of respondents who gave <i>at least a Satisfactory</i> rating / Total number of respondents	4%	Actual / Target 0% = if less than 80%	90%	96.75%	-	96.75%	4.00%	<p>- ARTA Validated CSM Result</p> <p>In an email dated 6 June 2024 from ARTA regarding the compliance status of GOCCs covered by Republic Act No. 10149, ARTA confirmed APO-PUI's CSM as compliant with the Joint Memorandum Circular No. 1, Series of 2023 and APO-PUI's self-reported rating of 96.75% satisfied customers was validated as accurate.</p>																																						

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	Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating											
SO 6 To Increase Customer Base																				
INTERNAL PROCESS	SM 6	Increase in Government Agencies Served	No. of Agencies	4%	Actual / Target	119	159	-	158	4.00%	-List of Clients for 2023 Revenue	APO-PUI's reported accomplishment for this was 159 clients. However, based on the GGC's validation of the supporting documents provided, the correct total was 158. APO-PUI counted APO-Lima BIR Tax Stamps" and "Bureau of Internal Revenue" as separate clients when they should be treated as one.								
	SO 7 To Provide On-Time Delivery of Products																			
INTERNAL PROCESS	SM 7	Reduction of Penalties Incurred	Total Penalties / Total Sales	2%	Actual / Target	0.050%	0.034%	-	0.34%	0.00%	- Summary of Penalties for the Year Ending December 31, 2023	<table border="1"> <thead> <tr> <th>Items</th> <th>2023 Actual</th> </tr> </thead> <tbody> <tr> <td>Penalties</td> <td>10,008,307.50</td> </tr> <tr> <td>Sales Revenue from QC and Lima</td> <td>2,975,553,578.59</td> </tr> <tr> <td>Penalty/ Sales</td> <td>0.34%</td> </tr> </tbody> </table> <p>The highest amount of penalty incurred by APO-PUI was with the Department of Education – Region XI amounted to ₱5.67 Million.</p> <p>Considering that the validated accomplishment does not achieve the annual target and the percentage of penalties is higher than pro-rating would allow using the "Actual Over Target" rating scale, APO-PUI is given a zero rating for this measure.</p>	Items	2023 Actual	Penalties	10,008,307.50	Sales Revenue from QC and Lima	2,975,553,578.59	Penalty/ Sales	0.34%
	Items	2023 Actual																		
Penalties	10,008,307.50																			
Sales Revenue from QC and Lima	2,975,553,578.59																			
Penalty/ Sales	0.34%																			
		Sub-total		10%				-		8.00%										

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SO 8	To Set Up World-class Systems and Processes										
SM 8	ISO Certification										
	a. QC Plant	Actual Accomplishment	4%	All or Nothing	ISO 9001:2015 Certification	ISO 9001:2015 Certification	-	ISO 9001:2015 Certification	4.00%	- ISO Certificate	<p>The scope of the ISO Certification for QC plant was "providing design and development, manufacturing, printing, testing, storage, and distribution of regular (QC operation) and secured (Lima Technology) printing products."</p> <p>The validity of this certificate is from 23 December 2023 to 23 December 2024.</p>
	b. Lima Plant	Actual Accomplishment	4%	All or Nothing	ISO 9001:2015 Certification	ISO 9001:2015 Certification	-	ISO 9001:2015 Certification	4.00%	- ISO Certificate and Audit Report	<p>The scope of the ISO Certification for Lima Plant was "design and development of systems and security printing documents, security printing, conversion, personalization, packaging, testing storage and distribution of the security printing needs of the Client."</p> <p>This certification is valid from 14 February 2023 to 13 February 2026.</p>
SO 9	To Set-up the Company Towards Attaining e-Governance										
SM 9	Thrust Towards e-Governance	Actual Accomplishment	5%	All or Nothing	Installation of Central Correspondence System	Installation of Central Correspondence System	-	Not installed in 2023	5.00%	- Certificate of Completion dated 6 December 2023	<p>The Certificate of Completion was signed off by Canon Marketing (Philippines), Inc. dated 6 December 2023. User Acceptance and Testing were already noted to have been completed. The CCS was already installed in December 2023.</p>
		Sub-total	13%				-		13.00%		

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	Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
LEARNING & GROWTH	SO 10	To Upgrade the Skills and Technical Know-how of Workforce										
	SM 10	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	2%	All or Nothing	a. Board-Approved Competency Model	Board-Approved Competency Framework	-	Board-Approved Competency Framework	2.00%	- Board-Approved Competency Framework	In a letter dated 29 April 2024, APO-PUI submitted a Board-approved Competency Framework. The GCG verified that the competency framework was approved through Board Resolution No. 2023-126 dated 22 December 2023.
				2%		b. Establish Baseline	No Accomplishment	-	No Accomplishment	0.00%	-n/a	Target not met. APO-PUI noted that there was no assessment conducted
			Sub-total	4%				-		2.00%		
			Total	100%				-		91.49%		

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