COVER SHEET

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N E X T S T A G E , I N C .

(Company's Full Name)

U N I T 1 7 0 2 E A S T T O W E R
P S E C E N T R E E X C H A N G E R O A D
O R T I G A S C T R . P A S I G C I T Y

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

ATTY. CANDICE SEE
Contact Person

817-3081
Company Telephone Number

Month Day
Fiscal Year

Form Type

Month Day
Annual Meeting

SEC FORM 20-IS

Dept. Requiring this Doc.

Amended Articles Number / Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel Concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = Pls. use black ink for scanning purposes

NEXT STAGE, INC.

Unit 1702, East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City

March 3, 2014

Markets and Securities Regulation Department
Securities and Exchange Commission
SEC Bldg., EDSA, Greenhills, Mandaluyong City

SECURITIES AND EXCHANGE COMMISSION
RECEIVED
MAR 04 2014
MARKET REGULATION DEPT.
BY: Sheryl 4:00 PM

Attn: Director Vicente Graciano P. Felizmenio, Jr.

Re: Preliminary Information Statement (SEC Form 20-IS) dated February 6, 2014

===

Dear Director Felizmenio,

We are writing in response to your letter dated February 7, 2014, which we received on February 20, 2014, with regard to the above-referenced matter. The "enclosed checklist" referred to in the Letter was not attached and a copy of which was obtained via facsimile on February 27, 2014.

In your letter dated February 7, 2014, you advised us of the non-compliance with Rule 20 of the Amended Implementing Rules and Regulations of Securities Regulation Code of the Preliminary Information Statement (SEC Form 20-IS) filed by Nextstage, Inc. (hereinafter the "Corporation").

The following amendments were made based on the recommendations in the checklist:

1. We have attached a Notice of the Meeting duly signed by the Corporate Secretary.

2. We have provided the postal code and the approximate date on which the Definitive Information Statement shall be sent to shareholders.

3. Item 1 – We have indicated that the approximate date of mailing of this information statement shall be on January 16, 2014.

4. Item 4(a) – We have updated the cut-off date to January 31, 2014.

5. Item 4(d)(i) – We have completed the information required of the security ownership of certain record and beneficial owners (more than 5% of voting securities) to include the relationship of the record owner with the issuer.

6. Item 4(d)(ii) – We have included the aggregate number of shares for all directors and officers.

7. Item 9 – We have provided a discussion based on the agenda of the special meeting of the shareholders on February 7, 2014, particularly a discussion on the proposed amendment of the Articles of incorporation to increase the authorized capital stock of the Corporation.

8. Item 11 – We have provided a discussion based on the agenda of the special meeting of the shareholders on February 7, 2014.

9. Item 12(b)(7) – We have disclosed that subject to ratification of the stockholders of the Corporation of the proposed plan of merger, the approval of the SEC must be obtained.

10. Item 12(b)(11) – We have disclosed that representatives of the principal accountants for the recently completed fiscal year, Isla Lipana & Co., are not expected to be present at the special meeting of the shareholders on February 7, 2014.

11. Item 12(c)(1) – We have provided a discussion on the major risk/s involved in the business of the Corporation, as well as a disclosure of the procedures undertaken to manage such risks.

12. Item 12(c)(2) – We have included a discussion on market information, a discussion on holders and a disclosure that no sale of unregistered or exempt securities of the Corporation was conducted in the last three (3) years.

13. Item 12(c)(4) – We have provided a disclosure of the Management's Discussion and Analysis (MD&A) or Plan of Operation, as well as a discussion on the changes in and disagreements with accountants on accounting and financial disclosure.

14. Item 12(c)(5) – For a disclosure on the directors and executive offers, we have referenced an earlier similar discussion in Item 5(a) of the Information Statement.

15. We have attached the Audited Financial Statements for the fiscal year ended December 2012 as required in Items 11 and 12.

Thank you for your kind attention and consideration.

Very truly yours,

ANTHONY B. PERALTA

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement

   [/] Definitive Information Statement

2. Name of Registrant as specified in its charter: NEXSTAGE, INC.

3. Province, country or other jurisdiction of incorporation or organization:

   REPUBLIC OF THE PHILIPPINES

4. SEC Identification Number: 24986

5. BIR Tax Identification Code: 000-275-073

6. Address of principal office : Unit 1702, East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City 1605

7. Registrant's telephone number, including area code: (+632)687-0808

8. Date, time and place of the meeting of security holders:

   February 7, 2014 at 9:00 A.M. at Alexandra Condominium Clubhouse located at 29 Meralco Avenue, Pasig City

9. Approximate date on which the Information Statement is first to be sent or given to security holders:

   January 16, 2014

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common Stock	167,559,179 / P468,070.00

12. Are any or all of registrant's securities listed in a Stock Exchange?

    Yes __/__ No ______

    If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

    Philippine Stock Exchange / Common Stock

NEXTSTAGE, INC.

38 San Lorenzo Street, Barrio Kapitolyo, Pasig City

NOTICE OF SPECIAL STOCKHOLDERS' MEETING

Please be advised that the Special Meeting of the Stockholders of **NEXTSTAGE, INC.** will be held at the Alexandra Condominium Clubhouse located at 29 Meralco Avenue, Pasig City, on 07 February 2014 at 9:00 a.m., to discuss the following:

AGENDA

1. Call to Order
2. Determination of Existence of Quorum
3. Presentation of the Plan of Merger (by the President, Mr. JJ Samuel A. Soriano)
4. Amendments to the Articles of Incorporation:
   - 6.1 Amendment of Article First to change the name of the corporation
   - 6.2 Amendment of Article Third to change the address of the principal office of the Corporation;
   - 6.3 Amendment of Article Fourth to extend the term of the Corporation;
   - 6.4 Amendment of Article Seventh to Increase the Authorized Capital Stock;
5. Consideration of Such Other Business as May Properly Come Before the Meeting
6. Adjournment

Only stockholders of record as of 22 January 2014 are entitled to notice of, to vote at, this meeting.

By order of the Board of Directors.

ANTHONY B. PERALTA
Corporate Secretary

PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. **Date, time and place of meeting of security holders.**

Date	-	February 7, 2014
Time	-	9:00 A.M.
Place	-	Alexandra Condominium Clubhouse located at 29 Meralco Avenue, Pasig City
Approximate date of Mailing of this statement	-	January 16, 2014
Mailing address of the Principal office of the Company	-	Unit 1702, East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY

Item 2. **Dissenters' Right of Appraisal**

A stockholder has the right to dissent and demand payment of the fair value of his share: (1) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares or of authorizing preferences over the outstanding shares or of extending or shortening the term of corporate existence; (2) in case of any sale, lease, mortgage or disposition of all or substantially all the corporate property or assets; and (3) in case of merger or consolidation. Notwithstanding the foregoing, a stockholder must have voted against the proposed corporate actions abovementioned in order to avail himself of the appraisal right.

Item 3. **Interest of Certain Persons in or Opposition to Matters to be Acted Upon**

(a) None of the incumbent directors and officers of NextStage, Inc. (the "Corporation" or "NextStage"), has any undisclosed substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon.

(b) The Corporation has not received any information from any director that he/she intends to oppose any matter to be acted upon in the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. **Voting Securities and Principal Holders Thereof**

(a) 167,559,097 Common Shares of Stock are subscribed and outstanding as of January 31, 2014.

Each share is entitled to one (1) vote.

(b) All stockholders of record as of the close of business on January 22, 2014 are entitled to notice of, and to vote at, the Special Stockholders' Meeting.

(d) Security ownership Certain Record and Beneficial Owners and Management

(i) Security ownership of certain record and beneficial owners (more than 5% of voting securities) as of January 22, 2014 are as follows:

Title of Class	**Name and Address of Record Owner/ Relationship with Issuer**	**Name of Beneficial Owner/ Relationship with Record Owner**	**Citizen ship**	**No. of Shares**	**Percent of Class**
Common	David T. Fernando *14 Paraguay Street, Loyola Grand Villas, Quezon City* Individual Shareholder	David T. Fernando died on September 2009. The shares are now with the Estate of David Fernando. A proxy was issued to his daughter Catherina Fernando to vote the shares thereof in the Corporation.	Filipino	20,824,419	12.43%
Common	Rafael A. Morales *105 Paseo de Roxas, Makati City* Individual Shareholder	Mr. Morales has issued a proxy appointing Mr. JJ Samuel A. Soriano to vote all his shares in the Special Meeting of the Stockholders on February 7, 2014.	Filipino	10,387,061	6.20%
Common	PCD Nominee Corporation *Tower 1, The Enterprise Center, 6766 Ayala Avenue corner Paseo de Roxas, Makati City*	PCD Nominee Corporation, a wholly-owned subsidiary of the Philippine Depository and Trust Corporation (PDTC), is the registered owner in the books of the Corporation's stock transfer agent. The beneficial owners entitled to the same are PDTC's participants, who hold the shares either in their own behalf or on behalf of their clients. The following PDTC participants hold more than 5% of the Corporation's voting securities: MDR Securities, Inc. – 79.40%/ No relationship with the Corporation	Filipino	134,977,637	80.56%

(ii) Security Ownership of Management as of January 22, 2014:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	JJ Samuel A. Soriano	77,032,469 (direct) 18,404,440 (indirect) TOTAL:95,436,909	Filipino	56.95%
Common	Maria Catherina Fernando	1 (indirect)	Filipino	0.00%
Common	Ponciano V. Cruz, Jr.	20,830,760 (indirect)	Filipino	12.43%
Common	Loida Nicolas Lewis	3 (indirect)	Filipino	0.00%
Common	Shinya Kajikawa	1 (indirect)	Japanese	0.00%
Common	Ma. Cynthia C. Martinez	3 (indirect)	Filipino	0.00%
Common	Jessel Gerard Gonzales	3 (indirect)	Filipino	0.00%
Common	Kenneth P. Butt	200 (direct)	Filipino	0.00%
Common	Augusto Jose Y. Arreza	200 (direct)	Filipino	0.00%
		116,268,080		

(iii) Voting Trust Holders of 10% or more

There are no voting trust holders of 10% or more of the common shares.

Item 5. **Directors and Executive/Corporate Officers**

(a) Directors, Executive Officers, Promoters and Control Persons

Directors and Corporate officers of Nextstage, Inc. as of January 22, 2014

Name	Age	Position	Citizenship
JJ Samuel A. Soriano	51	Chairman of the Board and President	Filipino
Maria Catherina Fernando	37	Director and Treasurer	Filipino
Ponciano V. Cruz, Jr.	49	Director	Filipino
Loida Nicolas Lewis	71	Director	Filipino
Shinya Kajikawa	55	Director	Japanese
Ma. Cynthia C. Martinez	54	Director	Filipino
Jessel Gerard Gonzales	45	Director	Filipino
Kenneth P. Butt	58	Independent Director	Filipino
Augusto Jose Y. Arreza	60	Independent Director	Filipino
Anthony B. Peralta	53	Vice President and Corporate Secretary	Filipino
Candice Faye T. See	27	Assistant Corporate Secretary	Filipino

All Directors shall hold office until a new Board of Directors is elected during the Corporation's annual shareholders' meeting in April 2014.

Incumbent Directors

JJ Samuel A. Soriano
Chairman of the Board and President
April 30, 2013 to present

Mr. Soriano is the Chairman of the Soriano Projects & Ventures (SPV) Group. He founded PROJECT Corporation (Philippine Resource Organization on Japanese Enterprise, Capital and Technology) and has been President and CEO since 1989, successfully bringing together Japanese and Filipino companies for investments and joint ventures.

He is likewise the Chairman of the In-store Digital Display International (IDDI) Group that operates the largest in-store digital signage network in the Philippines. He is also Chairman of Snapworx Digital, a pioneering mobile phone and digital marketing agency which handles the social network marketing campaigns of large corporation in the Philippines.

He is now very active in promoting renewable energy and has arranged a major Philippine investment group to infuse capital for the development of the 10MW rice husk biomass plant in San Jose, Nueva Ecija, Philippines with a project cost of over one billion pesos. He is also active in the development and promotion of solar energy power generating projects in the Philippines and Japan.

In addition, he is a member of the Board of Directors and business development adviser to other significant businesses in finance, real estate, tourism, distribution, life and non-life insurance, manufacturing, renewable energy, transport and logistics, among others.

Maria Catherina Fernando
Director and Treasurer
April 30, 2013 to present

Ms. Fernando works as an independent Business Consultant specializing in business planning and financial modeling for start-up companies, new projects and ventures. In 2006, she founded Akademeia Schools - an exclusive school for gifted children. Under her leadership and the specialized program and curriculum she co-developed, the school has successfully produced graduates and alumni that have moved on to excel at the secondary level boasting a 100% passing record for all its students who have taken the Philippine Science High School entrance exam. At present, she is currently managing her own business ventures in mining, equipment leasing, and real estate. Ms. Fernando is also a Director of Digipost Marketing, Inc. and was a Director of Technology for the Advancement of Children Phil., Inc.

Ponciano V. Cruz, Jr.
Director
April 30, 2013 to present

Atty. Cruz is a senior partner in Santiago, Cruz & Associates Law Offices. His fields of legal practice include Commercial and Corporation Law, Telecommunications, Broadcasting and Information Technology Law, Real Estate Transactions, Estate Planning and Settlement, Foreign Investments, Labor Law, Civil and Criminal Law, Appellate Practice, and Election Law

Atty. Cruz has served as Trustee and Chairman of the La Salle Green Hills Board from 2008 to the present. He is the President of Digital Photographers, Inc. and of Hardin ni Lola Pina, Inc. (operator of Villa Josefina Resort, Balagtas, Bulacan). He is a Member of the Management Association of the Philippines (2007-present) and of the American Chamber of Commerce in the Philippines, (2006-present).

Loida Nicolas Lewis
Director
April 30, 2013 to present

Atty. Lewis is Chairman and CEO of TLC Beatrice, LLC, the Lewis family private investment firm in the United States of America. She is the President of The Lewis College, which she founded in Sorsogon City in the Philippines in 1999. Atty. Lewis was admitted to the New York bar in 1974.

Shinya Kajikawa
Director
April 30, 2013 to present

Shinya Kajikawa has extensive experience in both the industrial and financial sectors of the Japanese economy, particularly in venture capital & PE industry from fund-raising to investment exits. He is currently a consultant for various companies such as Hakuhodo Inc., NPO Global Colloquium and JVIC Venture Capital Co., Ltd. in Japan.

Ma. Cynthia C. Martinez
Director
April 30, 2013 to present

Ms. Martinez is a Financial Advisor at Sunlife Financial where she provides customized solutions to meet clients' specific financial goals and needs. She conducts personal financial planning seminars to raise financial literacy. She enjoined stints in the banking sector having been with the Banco de Oro Universal Bank Remedial Management Unit, where she Directly managed a portfolio of Non Performing Assets (NPA) totaling P1.3 Billion, and supervised two account officers with a combined NPA portfolio of P704.8 Million. She was also with the Union Bank of the Philippines Corporate Banking Group in various capacities

Jessel Gerard Gonzales
Director
April 30, 2013 to present

Fr. Gonzales, SJ is the Associate Principal for Formation of the Ateneo de Manila High School. He was the Director of the Jesuit Music Ministry from 2004-2010, during which he produced and composed religious, inspirational, and liturgical albums and gave training workshops and seminars on music. He also managed performing artists, both recording and service-oriented choirs; directed theater plays and ran marketing events such as concerts and album launches

Currently, he also gives talks and workshops on the use of social media for evangelization, as well as designs social media structures to market advocacy for institutions and groups. He writes for social media platforms; his blog, Faith of a Centurion, has been awarded by the Catholic Mass Media

Awards in 2010 as the Best Website, with a special citation for its service to make the Word of God accessible to all.

Kenneth P. Butt
Independent Director
April 30, 2013 to present

Mr. Butt is the President and CEO of Tierra International Construction Corporation. He has been an officer (usually the President) of several other companies that were primarily joint ventures set up for the specific purpose of certain construction jobs. Some of the companies were TIC Philippines, Epoch Properties, MAG Construction and Philippine Sundt Construction Corporation. He was also a Vice President of M.M. Sundt Construction Company of Tucson Arizona for a number of years while they were partners in Tierra International.

Augusto Jose Y. Arreza
Independent Director
April 30, 2013 to present

Atty. Arreza put up his own law firm in July 2003, A.J.Y. Arreza & Associates. His extensive exposure to issues on corporate rehabilitation led him to handle petitions for corporate rehabilitation both under the Interim Rules of Procedure on Corporate Rehabilitation and the Financial Rehabilitation and Insolvency Act of 2010 (R.A. No. 10142) in coordination with certified public accountants and financial experts. He continues to engage in litigation work and handles cases relating to Persons and Family Relations, Immigration Law, Business & Corporate Law, Intellectual Property Law, Industrial Arbitration, and special projects. He has been a director and corporate secretary of various corporate clients. He is an active member of the Rotary Club of Makati Central (D-3830). He currently teaches Criminal Law at the College of Law of the University of the Philippines and subjects in Political Law at the School of Law of the Arellano University.

Anthony B. Peralta
Vice President and Corporate Secretary
April 30, 2013 to present

Atty. Peralta, senior partner in Cochingyan & Peralta Law Offices, is an advocate of Intellectual Property (IP) law. He handles the prosecution, litigation, arbitration, and settlement agreements between multinational companies caught up in trademark and patent applications disputes. He represents companies in negotiating software, hardware, internet and other information technology transactions. He drafts external service provider, web-based services, and online subscriber agreements, including business process outsourcing agreements. Other than IP, his practice areas include Corporate Law, Foreign Investments Law, Securities Regulation, Taxation, E-Commerce and IT Business Process Outsourcing, and Commercial Litigation. He handles joint ventures between foreign and domestic corporations engaged in power generation, fast-food/restaurant services, wholesale retailing, manufacturing, information technology, and transport vehicle production.

Candice Faye T. See
Assistant Corporate Secretary
January 8, 2014 to present

Atty. See is an associate with Cochingyan & Peralta Law Offices. She received her Juris Doctor degree from the University of the Philippines College of Law in 2012. She attained her Bachelor of Science degree in Management, Major in Legal Management from the Ateneo de Manila University.

(b) Significant Employees

The company is not highly dependent on any individual who is not an executive officer.

(c) Family Relationships

There are no family relationships among the officers listed.

(d) Involvement in Certain Legal Proceedings

There is nothing to disclose with respect to material pending legal proceedings.

None of the directors nor the executive officers have, during the last five years and to date, been subject to any of the following:

(a) Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

(b) Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;

(c) Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and

(d) Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Interest on Certain Matters to be Acted Upon

No director or officer of Nextstage has undisclosed substantial interest, direct or indirect, in any matter to be acted upon in the meeting.

Certain Relationship and Related Transactions

There are no transactions with or involving the Corporation or any of its subsidiaries in which a director, executive officer, or stockholder owns ten percent (10%) or more of total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest during the last two (2) years. Kindly note that the Suspension of the Registration and Permit to Sell Securities imposed on the Corporation was only lifted by the Securities and Exchange Commission (SEC) last May 31, 2013.

Item 6. Compensation of Directors and Executive Officers

There is no action to be taken with regard to: (1) (a) the election of directors; (2) any bonus, profit sharing or other compensation plan, contract or arrangement in which any director, nominee for election as a director, or executive officer of the Corporation will participate; (3) any pension or retirement plan in which any such person will participate; and(4) the granting or extension to any such person of any option/s, warrant/s or right/s to purchase any securities.

Item 7. Independent Public Accountants

There is no action to be taken which is related to the election, approval or ratification of the Corporation's independent public accountant.

Item 8. Compensation Plans

There is no action to be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities other than for Exchange

The approval of the stockholders shall be secured for the increase in the authorized capital stock of the Corporation to Php1,000,000,000.00 composed of common shares with a par value of Php1.00 and the issuance of a minimum of 207,500,000 shares to support the said increase. No preferred stock shall be issued.

To revitalize the Corporation into a thriving holding company with presence in Southeast Asia, the Board of Directors approved the increase of the authorized capital stock from Php170,000,000.00 divided into 170,000,000 common shares with a par value of Php1.00 per share to Php1,000,000,000.00 divided into 1,000,000,000 common shares with a par value of Php1.00 per share.

The shares shall be listed with the Exchange upon approval by the SEC of the Corporation's application for increase in authorized capital stock.

All shares of the Corporation, including the shares to be issued in support of the proposed increase in capital have the same dividend and voting rights. As provided for in Article VII of the Corporation's Amended Articles of Incorporation ("AOI"), stockholders of the Corporation do not enjoy any pre-emptive right to subscribe to any new issuance of shares whether from the existing authorized capital stock or from and increase thereof. The Corporation's AOI likewise prohibits recording of any transfer of stock or interest which will reduce Filipino ownership to less than the required percentage of capital stock.

For the Management's Discussion and Analysis (MD&A) or Plan of Operation, please refer to Item 12(c)(4).

Item 10. Modification or Exchange of Securities.

There is no action to be taken with respect to the modification of any class of securities of the Corporation, or the issuance or authorization for issuance of one class of securities of the Corporation in exchange for outstanding securities of another class.

Item 11.Financial and Other Information

(a) Information Required

(1) The Financial Statements for fiscal year ended 2012 are attached herewith.

(2) Kindly refer to Item 12(c)(4) for Management's Discussion and Analysis and Plan of Operation.

(3) Kindly refer to Item 12(c)(5) for a discussion on Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

(4) The representatives of the principal accountants for the recently completed fiscal year, Isla Lipana & Co., are not expected to be present at the special meeting of the shareholders on February 7, 2014.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

There is no stockholders' action to be taken with regard to the following: (1) the acquisition by the Corporation or any of its security holders of securities of another person;(2) the acquisition by the Corporation of any other going business or of the assets thereof; (3) the sale or other transfer of all or any substantial part of the assets of the Corporation; and (4) the liquidation or dissolution of the Corporation.

Action will be taken with respect to the merger of the Corporation with another person, which was approved by the Board of Directors in its special meeting last January 8, 2014.

The merger of the Corporation with another person is subject to ratification of the stockholders during the special meeting on February 7, 2014 and subject further to negotiation and execution of any legal documentation satisfactory to the parties and to the receipt of all relevant regulatory approvals.

(a) The Plan of Merger approved by the Board of Directors is the merger of the Corporation with VuQo, Inc ("VuQo"), with the Corporation as the surviving entity. Subject to further merger steps to be undertaken and securing approval of the NextStage shareholders, the merger will result in the issuance of Corporation's shares to the shareholders of VuQo tentatively equivalent to about 1.5 times the current outstanding listed shares of the Corporation.

(b)

(1) Name - VuQo, Inc.
Address - Unit 318, P.B. Dionisio Bldg., #27 Don Alejandro Roces Ave., Brgy. Paligsahan, Quezon City
Telephone number - +63 2 371-11603

(2) The primary purpose of VuQo is to engage in, operate and maintain the business of distillation, manufacturing, compounding, bottling, importing, exporting, buying, selling or otherwise dealing in, at wholesale, such goods as coconut spirits, wines, spirit beverage, liquor and other alcoholic drinks; and any and all equipment, materials, supplies used and or employed in or related to the manufacture of such finished products.

(3) The proposed merger of the Corporation and VuQo is grounded on the fundamentals of a stock exchange, which serves as a venue to raise capital for promising businesses. NextStage, Inc. is a recently revitalized publicly listed holding company; on the other hand, VuQo is an entrepreneurial company that has developed and proven the concept of producing coconut-based vodka in the Philippines for world market consumption. Having been able to go beyond its early start up stages, VuQo has caught the attention of a corporate entity with a world famous brand established in the entertainment industry for over 60 years. This brand owning entity, which is based in the U.S.A., had plans to license a spirits and liquor company and saw it fit to grant the license to VuQo to develop and build its exclusive spirits brand.

The merger would provide a platform to raise capital to achieve the objectives of the business to create a high potential export product from the Philippines for the world market, supported and propelled by a corporate entity with a globally renowned brand recognized in major markets in North America, Europe and Asia.

Upon implementation of the merger, the projected profits from the operations of VuQo will affect an increase in the overall value of the Corporation. The target timeline for the implementation of the merger is the first quarter of 2014.

The determination of the consideration is mainly based on substantial appreciation of the value of VuQo due to its licensing agreement with the worldwide recognized brand owning entity. In addition, the said corporate entity has signed an option to invest One Million U.S. Dollars (USD1,000,000.00) for four percent (4%) interest in VuQo. This option puts the effective valuation of VuQo at Twenty-Five Million U.S. Dollars (USD25,000,000.00) for one hundred percent (100%).

(5) Below is the comparison of the net sales, income (loss) and long-term obligations of the Corporation and VuQo:

	2012		2011	
	NXT	VuQo	NXT	VuQo
Revenue	-	1,058,032	-	1,619,000
Income(Loss)	-	(4,062,577)	-	(6,135,795)
Long-term obligations	-	26,929,782	-	22,277,782
Redeemable preferred stock	-	-	-	-

Kindly note that NextStage has been in a state of dormancy since January 1, 2008 and its Registration and Permit to Sell Securities was suspended since 2009 and was only lifted on May 30, 2013.

Neither NextStage nor VuQo have issued preferred shares.

(6) Below is a comparative table of the per share data of the Corporation and VuQo:

	2012		2011	
	NXT	VuQo	NXT	VuQo
Book Value per share	(0.67)	(3.21)	(0.67)	(2.53)
Cash dividends declared per share	-	-	-	-
Income (loss) per share	-	(0.71)	-	(1.06)

Please note that Nexstage has been in a state of dormancy since January 1, 2008 and its Registration and Permit to Sell Securities was suspended in 2009 and was only lifted on May 30, 2013. Consequently, no income was generated and no dividends were declared in the years 2011 and 2012

VuQo did not declare any dividends in the years 2011 and 2012.

(7) Upon ratification of the stockholders of the Corporation of the proposed plan of merger, the approval of the SEC must be secured as implementing the merger would require amendment of the Articles of Incorporation and of the By-Laws.

(8) No report, opinion or appraisal relating to the proposed plan of merger has been received from any outside party.

(9) The Soriano Group, composed of JJ Samuel A. Soriano, Marie Herminia Cruz Soriano, Ponciano V. Cruz, and Saturnino Belen, proposed to acquire in a mandatory tender offer the Eighteen Million Three Hundred Nineteen Thousand Five Hundred Seventy-Six (18,319,576) common shares of NXT stock held by the public at a price of Forty-Three Centavos (Php0.43) per share. The period of the tender offer period started on November 26, 2013 at 9:00 a.m. and ended on December 26, 2013 at 3:00 p.m.

At the termination of the tender offer period on December 26, 2013, no tender of shares was received from any shareholder of the Corporation.

On April 30, 2013, the stockholders of the Corporation elected its Board of Directors to hold office until their successors are elected on April 30, 2014. For the list of the elected directors, kindly refer to Item 5(a).

(10) Tabulated below are the high and low sale prices of Nextstage preceding public announcement of the proposed plan of merger via disclosure of the results of the Board Meeting held on January 8, 2014.

	Common Shares	
	High	**Low**
January 8, 2014	2.70	2.11

(11) The representatives of the principal accountants for the recently completed fiscal year, Isla Lipana & Co., are not expected to be present at the special meeting of the shareholders on February 7, 2014.

(c) Discussed below are the other details required in an Information Statement.

(1) **Nextstage, Inc.**

PACEMO was incorporated in 1964 as Pacific Cement Company to engage in the manufacture and trading of cement and related products. In June 2000, the SEC approved the change in the primary purpose of Company to that of a holding company and change its corporate name to PACEMO.

In December 2000, PACEMO acquired 100% of the capital stock of Nextstage Inc., a company established to take advantage of the opportunities in the rapidly growing technology sector and the emerging electronic economy. On June 11, 2001, the SEC approved the merger of PACEMO and its subsidiary Nextstage, with PACEMO as the surviving corporation. Subsequently, the SEC also approved the change in name from PACEMO to NextStage Inc.

On December 31, 2007, the Corporation and its majority shareholder Perfect Research Technology Corporation (PRTC) entered into a Memorandum of Agreement wherein the Corporation transferred its businesses/assets/liabilities in its three subsidiaries – Mondex Philippines, Inc., Infinit-e Asia, Inc. and Technology Support Services, Inc., to PRTC. Pursuant to the said Memorandum of Agreement, the Corporation ceded control, management, beneficial ownership and administration of the business and assets of its three subsidiaries to PRTC. However, while PRTC has control, management and beneficial ownership and administration of the said subsidiaries, the Corporation remains the legal owner of the subsidiaries and any liabilities pertaining to the ownership of the shares of stock of the subsidiaries shall remain with the Corporation.

Upon lifting of the order of suspension by the SEC and of the trading suspension by the Philippine Stock Exchange (PSE), the Corporation through its elected Board of Directors has been taking steps to revitalize NextStage into a holding company with major stakes in various industries.

VuQo, Inc.

VuQo, Inc was incorporated on December 31, 2005 as a domestic corporation under Philippine law. VuQo is the world's first producer of premium vodka distilled from coconut nectar. Export sales accounted for 33.04% of VuQo's sales in 2012, 93.22% in 2011 and 81.71% in the year 2010.

As of December 31, 2012, VuQo rents its sales office and warehouse under an operating lease for a period of one year with monthly fixed rental oh Php40,480.00 and an escalation rate of 15% per annum upon renewal.

Major Risks

The Corporation's overall risks management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Corporation's financial performance.

Prudent liquidity risk management implies maintaining sufficient cash to meet its operating cash requirements. The Corporation manages liquidity risk by monitoring expected cash flows and seeks funding from its shareholders to meet its operating commitments. Given the status of the Corporation's operations and plans, there is no perceived liquidity risk.

(2) Market Price of and Dividends on Registrant's Common Equity and Related Stockholder Matters

Market Information

The shares of Nextstage are traded in the Philippine Stock Exchange using the stock symbol "NXT". Tabulated below are the high and low sales prices of NXT shares for each quarter in 2011 and 2012.

		Common Shares	
		High	**Low**
2012			
	First Quarter	-	-
	Second Quarter	-	-
	Third Quarter	-	-
	Fourth Quarter	-	-
2011			
	First Quarter	-	-
	Second Quarter	-	-
	Third Quarter	-	-
	Fourth Quarter	-	-

Please note that trading of the Corporation's shares was suspended on May 16, 2008 and such suspension was lifted only on July 9, 2013.

Holders

As of December 31, 2013, there are Five Hundred Fifty-Nine (559) holders of commons shares of the Corporation.

Listed below are the top twenty (20) shareholders of the Corporation:

Name of Shareholder	No. of shares	Percent of class
PCD Nominee Corp.	134,977,637	80.5552%
David T Fernando.	20,824,419	12.4281%
Rafael A. Morales	10,387,061	6.1990%
Composite Marketing Corp.	999,995	0.5968%
Felix G. Chung	145,895	0.0871%
Leonel A. Santos	55,274	0.0330%
Ma. Paz Alcita Galvan	9,000	0.0054%
Mario B. Cornista.	7,599	0.0045%
Mario Yambot	5,300	0.0032%
Southern Philippines Development Authority	4,200	0.0025%
Lydia C. San Juan.	4,000	0.0024%
Anthony H. Strike	3,820	0.0023%
Inocencio R. Cortes	3,284	0.0020%
Raymundo A. Yap	2,980	0.0018%
Zenaida M. Strike	2,820	0.0017%
Cezar G. Siruelo, Jr.	2,768	0.0017%

Alfredo B. Almonguera, Jr.	2,680	0.0016%
James Chiongbian	2,120	0.0013%
Greta T. De Ramos	2,080	0.0012%

Prior to finalization of the plan of merger, no effect of such merger on the amount and percentage on the present shareholdings of any beneficial owner of more than five percent (5%) of the common shares of the Corporation or any director and nominee may be disclosed.

Recent Sales of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction

There was no sale of unregistered or exempt securities of the Corporation in the last three (3) years.

(3) The financial statements for the fiscal year ended December 2012 are attached to this Information Statement.

(4) Management's Discussion and Analysis (MD&A) or Plan of Operation.

Plan of Operation

The Corporation is entering into this Plan of Merger to implement its goal of revitalizing Nextstage into a going concern that will ultimately benefit the stockholders. A detailed discussion on the Plan of Operations for the next twelve (12) months, including a discussion on significant changes in the number of employees, will be disclosed to the SEC as soon as the Plan of Merger is approved by the shareholders of the Corporation.

The Corporation is able to satisfy its cash requirements for the next twelve (12) months as during the period ended September 30, 2013, an investor deposited an amount of P10,150,000 for future shares subscription to fund the Corporation's operating requirements.

There are no expected purchases or sale of plant and significant equipment.

Management's Discussion and Analysis

Starting March 2013, the Corporation is being revitalized into a holding corporation for projects, ventures, businesses and assets primarily in the ASEAN, Japan and neighboring Asian countries without industry-specific limitations.

Being a publicly listed holding Corporation in the PSE positioned as a prime mover in ASEAN–focused businesses is a very compelling competitive edge. This widens the reach of the Corporation and hedges the Corporation's well-being across the performance of all the ASEAN member economies. This also makes the liquidity of the Corporation better due to an ASEAN-wide market interest for a Philippine-based holding Corporation.

The Corporation's objectives when managing capital are to safeguard the Corporation's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Corporation may adjust the amount of dividends paid to shareholders, return capital to shareholders, obtain borrowings from banks, and issue new shares or sell assets to reduce debt. Total capital being managed by the Corporation is its total equity as shown in the attached statement of financial position.

To improve and strengthen the financial condition of the Corporation without affecting the present ownership, the Board approved the conversion of the Corporation's due to related parties, advances from shareholders and deposits for future shares subscriptions aggregating to P113,074,880 to additional paid in capital on April 30, 2013. The Corporation is also currently negotiating with various investment groups to raise new capital and is also seriously considering another public offering to raise more funds for its investments and holdings. The Corporation has identified target projects, ventures, businesses and assets that can be included in the holdings of the Corporation for which the Corporation may issue shares in exchange for owning them.

The suspension of the Corporation's Registration of and Permit to Sell Securities imposed by the SEC in 2009 was only lifted last May 31, 2013. The trading of the Corporation's shares has been suspended since May 16, 2008 and suspension was only lifted by the PSE last July 9, 2013. As such, no discussion may be disclosed as to the results of operations for the last three (3) fiscal years, as well as to any key performance indicators applied by the Corporation for the last two (2) fiscal years.

There are no material events and uncertainties known to management that would cause reported financial information not to be necessarily indicative of the future financial condition of the Corporation.

There are no known trends or known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Corporation's liquidity increasing or decreasing in any material way. There are no events that will trigger direct or contingent financial obligation that is material to the Corporation, 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 Corporation with unconsolidated entities or other persons created during the reporting period. Likewise, there are no material commitments for capital expenditures.

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

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

The financial statements from fiscal year ended December 2007 until the present have been prepared by the same external auditor, Isla Lipana & Co. There have been no disagreements with the Corporation's external auditor on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure .

(5) Directors, Executive Officers, Promoters and Control Persons

Please refer to Item 5(a) for a discussion on Directors, Executive Officers, Promoters and Control Persons.

Item 13. Acquisition or Disposition of Property

There is no action to be taken with respect to the acquisition or disposition of any property.

Item 14. Restatement of Accounts

There is no action to be taken with respect to the restatement of any asset, capital, or surplus account of the Corporation.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

The plan of merger and the amendment of the Articles of Incorporation to change the name of the corporation, to change the principal office, to extend the term and to increase the authorized capital stock shall be submitted to the stockholders' for their approval.

Item 17. Amendment of Charter, Bylaws and Other Documents

The following amendment in the Articles of Incorporation of Nextstage shall be submitted to the stockholders for approval:

1. Change the name of the Corporation to Jackstones, Inc. or any other name to be ratified by the stockholders;
2. Change the principal address to:

   Bonifacio Technology Center
   2nd Ave. Corner 31st St., BGC
   Taguig City, Metro Manila Philippines 1634

   or some other address to be ratified by the stockholders.

3. Extend the corporate term for another fifty (50) years; and
4. Increase the authorized capital stock up to Php1,000,000,000.00.

The above-listed amendments are in line with the primary goal of the Corporation to revitalize itself into a holding Corporation with Corporation for projects, ventures and holdings primarily in the ASEAN, Japan and neighboring Asian countries without industry-specific limitations.

Item 19. Voting Procedures

(a) Every shareholder shall be entitled to one (1) vote for each share of stock standing in his name on the books of registrant, unless the law provides otherwise. Cumulative voting may be used in the election of the members of the Board of Directors.

(b) The votes required for (1) ratification of reports acts, and resolutions of the Board of Directors and Management, and (2) appointment of external auditor shall be the majority vote of the shareholders.

(c) Voting shall be done orally and counting of votes shall be conducted by the Corporate Secretary (or his duly authorized representative) to be assisted by the Corporation's independent accountant-or by the representative of Isla Lipana & Co.

PART III.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on 3 March 2014.

NEXTSTAGE, INC.

By:

ANTHONY B. PERALTA
Corporate Secretary

COVER SHEET

2 4 9 8 6

S.E.C. Registration Number

N E X T S T A G E   I N C .

(Company's Full Name)

3 8   S A N   L O R E N Z O   S T R E E T ,   B A R R I O

K A P I T O L Y O ,   P A S I G   C I T Y

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

JJ Samuel Soriano

Contact Person

Company Telephone Number

1 2	3 1	A F S		
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			Annual Meeting	

Secondary License Type, If Applicable

C R M

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign
561	-	-

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks - pls. use black ink for scanning purposes

NextStage, Inc.

Financial Statements with Supplementary Schedules for the Securities and Exchange Commission
December 31, 2012

NextStage, Inc.

Financial Statements with Supplementary Schedules for the Securities and Exchange Commission
December 31, 2012

TABLE OF CONTENTS

FIRST SECTION

NEXT STAGE, INC.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of NextStage, Inc. (the "Company") is responsible for the preparation and fair presentation of the financial statements for the years ended December 31, 2012 and 2011, including the additional components attached therein, in accordance with the prescribed financial reporting framework indicated therein. This responsibility includes designing and implementing internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Board of Directors reviews and approves the financial statements and submits the same to the shareholders.

Isla Lipana & Co., the independent auditors, appointed by the shareholders has examined the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the shareholders, has expressed its opinion on the fairness of presentation upon completion of such examination.

JJ Samuel A. Soriano
Chairman of the Board & CEO

Maria Catherina Fernando
Chief Financial Officer

30 April 2013

pwc

Isla Lipana & Co.

To the Board of Directors and Shareholders of
NextStage, Inc.
No. 38 San Lorenzo Street, Barrio Kapitolyo
Pasig City

Report on the Financial Statements

We have audited the accompanying financial statements of NextStage, Inc. (the "Company") which comprise the statements of financial position as at December 31, 2012 and 2011, and the statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2012, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Philippine Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2012 and 2011, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2012 in accordance with Philippine Financial Reporting Standards.

Emphasis of Matter

We draw attention to Note 1 to the financial statements which indicates that starting December 31, 2007, following the transfer of control of the subsidiaries to the Parent Company, the Company has gone into a state of dormancy, awaiting further management plans. The Company's ability to operate on a going concern basis is dependent upon its ability to generate immediate additional capital infusion and sufficient cash flows to meet its obligations, to develop sustainable business strategies and undertake measures to attain long-term financial stability. Despite the Company's capital position at December 31, 2012, management believes that the Company will be able to continue as a going concern considering the business plans to be implemented starting 2013 as discussed in Note 1. We have performed procedures to validate the likelihood and feasibility under the circumstances of these plans. Our opinion is not qualified in respect of this matter.

Report on the Bureau of Internal Revenue Requirements

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 10 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Isla Lipana & Co.

Roderick M. Danao
Partner
CPA Cert. No. 88453
P.T.R. No. 0011280, issued on January 2, 2013, Makati City
SEC A.N. (individual) as general auditors 1202-A, Category A; effective until March 21, 2015
SEC A.N. (Firm) as general auditors 0009-FR-3; effective until August 15, 2015
TIN 152-015-078
BIR A.N. 08-000745-42-2012, issued on February 1, 2012; effective until January 31, 2015
BOA/PRC Reg. No. 0142, effective until December 31, 2013

Makati City
April 30, 2013

02 MAY 2013

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Isla Lipana & Co.

Statement Required by Rule 68
Securities Regulation Code (SRC)
As Amended on October 20, 2011

To the Board of Directors and Shareholders of
NextStage, Inc.
No. 38 San Lorenzo Street, Barrio Kapitolyo
Pasig City

We have audited the financial statements of NextStage, Inc. as at and for the year ended December 31, 2012, on which we have rendered the attached report dated April 30, 2013. The supplementary information shown in the Schedule of Philippine Financial Reporting Standards effective as at December 31, 2012, as required by Part I, Section 4 of Rule 68 of the Securities Regulation Code, and Schedules A, B, C, D, E, F, G and H, as required by Part II, Section 68 of the Securities Regulation Code are presented for purposes of filing with the Securities and Exchange Commission and are not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to auditing procedures applied in the audit of basic financial statements. In our opinion, the supplementary information has been prepared in accordance with Rule 68 of the Securities Regulation Code.

Isla Lipana & Co.

Roderick M. Danao
Partner
CPA Cert. No. 88453
P.T.R. No. 0011280, issued on January 2, 2013, Makati City
SEC A.N. (individual) as general auditors 1202-A, Category A; effective until March 21, 2015
SEC A.N. (Firm) as general auditors 0009-FR-3; effective until August 15, 2015
TIN 152-015-078
BIR A.N. 08-000745-42-2012, issued on February 1, 2012; effective until January 31, 2015
BOA/PRC Reg. No. 0142, effective until December 31, 2013

Makati City
April 30, 2013

02 MAY 2013
BANK OF THE PHILS.

NextStage, Inc.

Statements of Financial Position
December 31, 2012 and 2011
(All amounts in Philippine Peso)

	Notes	2012	2011
ASSET			
Current asset			
Cash on hand		48,849	48,849
Total asset		48,849	48,849
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables and other liabilities	6	468,070	468,070
Due to related parties	7	46,011,226	46,011,226
Advances from shareholders	7	32,063,654	32,063,654
Deposit for future stock subscription	1	35,000,000	35,000,000
Total liabilities		113,542,950	113,542,950
Equity			
Share capital		167,559,179	167,559,179
Deficit		(281,053,280)	(281,053,280)
Total equity		(113,494,101)	(113,494,101)
Total liabilities and equity		48,849	48,849

The notes on pages 1 to 16 are an integral part of these financial statements.

Stat
For each of the three
(All

	Author
	No. of shares
Balances at January 1, 2010	170,000,000
Comprehensive income	
Profit for the year	-
Other comprehensive income	-
	-
Balances at December 31, 2010	170,000,000
Comprehensive income	
Profit for the year	-
Other comprehensive income	-
	-
Balances at December 31, 2011	170,000,000
Comprehensive income	
Profit for the year	-
Other comprehensive income	-
	-
Balances at December 31, 2012	170,000,000

The notes on pages 1 to 1

NextStage, Inc.

Statements of Cash Flows
For each of the three years in the period ended December 31, 2012
(All amounts in Philippine Peso)

	2012	2011	2010
Cash flow from operating activities	-	-	-
Cash flow from investing activities	-	-	-
Cash flow from financing activities	-	-	-
Net movement in cash	-	-	-
Cash at January 1	48,849	48,849	48,849
Cash at December 31	48,849	48,849	48,849

The notes on pages 1 to 16 are an integral part of these financial statements.

NextStage, Inc.

The following table summarizes the effective standards and interpretations as at December 31, 2012:

Framework for the Preparation and Presentation of Financial Statements Conceptual Framework Phase A: Objectives and qualitative characteristics		√		
PFRSs Practice Statement Management Commentary				√
Philippine Financial Reporting Standards				
PFRS 1 (Revised)	First-time Adoption of Philippine Financial Reporting Standards	√		
	Amendments to PFRS 1 and PAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate			√
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters			√
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First-time Adopters			√
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters			√
	Amendments to PFRS 1: Government Loans			√
PFRS 2	Share-based Payment			√
	Amendments to PFRS 2: Vesting Conditions and Cancellations			√
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			√
PFRS 3 (Revised)	Business Combinations			√
PFRS 4	Insurance Contracts			√
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			√
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			√
PFRS 6	Exploration for and Evaluation of Mineral Resources			√
PFRS 7	Financial Instruments: Disclosures	√		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	√		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	√		
	Amendments to PFRS 7: Improving Disclosures about	√		

02 MAY 2013

	Financial Instruments			
	Amendments to PFRS 7: Disclosures - Transfers of Financial Assets	√		
	Amendments to PFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	√		
	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures	√		
PFRS 8	Operating Segments			√
PFRS 9*	Financial Instruments		√	
	Amendments to PFRS 9: Mandatory Effective Date of PFRS 9 and Transition Disclosures		√	
PFRS 10*	Consolidated Financial Statements		√	
PFRS 11*	Joint Arrangements		√	
PFRS 12*	Disclosure of Interests in Other Entities		√	
PFRS 13*	Fair Value Measurement		√	
Philippine Accounting Standards				
PAS 1 (Revised)	Presentation of Financial Statements	√		
	Amendment to PAS 1: Capital Disclosures	√		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			√
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income*		√	
PAS 2	Inventories			√
PAS 7	Statement of Cash Flows	√		
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	√		
PAS 10	Events after the Reporting Period	√		
PAS 11	Construction Contracts			√
PAS 12	Income Taxes	√		
	Amendment to PAS 12 - Deferred Tax: Recovery of Underlying Assets			√
PAS 16	Property, Plant and Equipment			√
PAS 17	Leases	√		
PAS 18	Revenue	√		
PAS 19	Employee Benefits	√		
	Amendments to PAS 19: Actuarial Gains and Losses, Group Plans and Disclosures	√		
PAS 19	Employee Benefits		√	

(Amended)*				
PAS 20	Accounting for Government Grants and Disclosure of Government Assistance			√
PAS 21	The Effects of Changes in Foreign Exchange Rates	√		
	Amendment: Net Investment in a Foreign Operation			√
PAS 23 (Revised)	Borrowing Costs			√
PAS 24 (Revised)	Related Party Disclosures	√		
PAS 26	Accounting and Reporting by Retirement Benefit Plans			√
PAS 27	Consolidated and Separate Financial Statements	√		
PAS 27 (Amended)*	Separate Financial Statements		√	
PAS 28	Investments in Associates			√
PAS 28 (Amended)*	Investments in Associates and Joint Ventures		√	
PAS 29	Financial Reporting in Hyperinflationary Economies			√
PAS 31	Interests in Joint Ventures			√
PAS 32	Financial Instruments: Disclosure and Presentation	√		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			√
	Amendment to PAS 32: Classification of Rights Issues			√
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities	√		
PAS 33	Earnings per Share	√		
PAS 34	Interim Financial Reporting	√		
PAS 36	Impairment of Assets	√		
PAS 37	Provisions, Contingent Liabilities and Contingent Assets	√		
PAS 38	Intangible Assets			√
PAS 39	Financial Instruments: Recognition and Measurement	√		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities	√		
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions			√
	Amendments to PAS 39: The Fair Value Option			√
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			√
	Amendments to PAS 39 and PFRS 7: Reclassification of			√

	Financial Assets			
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition			√
	Amendments to Philippine Interpretation IFRIC–9 and PAS 39: Embedded Derivatives			√
	Amendment to PAS 39: Eligible Hedged Items			√
PAS 40	Investment Property			√
PAS 41	Agriculture			√
Philippine Interpretations				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities			√
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			√
IFRIC 4	Determining Whether an Arrangement Contains a Lease			√
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			√
IFRIC 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment			√
IFRIC 7	Applying the Restatement Approach under PAS 29 Financial Reporting in Hyperinflationary Economies			√
IFRIC 8	Scope of PFRS 2			√
IFRIC 9	Reassessment of Embedded Derivatives			√
	Amendments to Philippine Interpretation IFRIC–9 and PAS 39: Embedded Derivatives			√
IFRIC 10	Interim Financial Reporting and Impairment	√		
IFRIC 11	PFRS 2- Group and Treasury Share Transactions			√
IFRIC 12	Service Concession Arrangements			√
IFRIC 13	Customer Loyalty Programmes			√
IFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction			√
	Amendments to Philippine Interpretations IFRIC- 14, Prepayments of a Minimum Funding Requirement			√
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			√
IFRIC 17	Distributions of Non-cash Assets to Owners			√
IFRIC 18	Transfers of Assets from Customers			√
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			√
IFRIC 20*	Stripping Costs in the Production Phase of a Surface Mine		√	
SIC-7	Introduction of the Euro			√

SIC-10	Government Assistance - No Specific Relation to Operating Activities			√
SIC-12	Consolidation - Special Purpose Entities			√
	Amendment to SIC - 12: Scope of SIC 12			√
SIC-13	Jointly Controlled Entities - Non-Monetary Contributions by Venturers			√
SIC-15	Operating Leases - Incentives			√
SIC-21	Income Taxes - Recovery of Revalued Non-Depreciable Assets			√
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders			√
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease			√
SIC-29	Service Concession Arrangements: Disclosures.			√
SIC-31	Revenue - Barter Transactions Involving Advertising Services			√
SIC-32	Intangible Assets - Web Site Costs			√

* These are standards, interpretations and amendments to existing standards that have been issued but not yet effective as at December 31, 2012 and were not early adopted by the Company.

Not applicable - Standards and interpretations that are effective as at December 31, 2012 but are not relevant/applicable to the Company in consideration of the nature of its business operations and/or there are currently no transactions relating to such standards.

Please refer to Note 2.1 to the financial statements for related discussion on the assessed impact on the Company's financial statements on the adoption of new standards, amendments and interpretations to existing standards effective for annual periods beginning January 1, 2012 and onwards.

NextStage Inc.

Notes to Financial Statements
As at December 31, 2012 and 2011 and for each of the three years in the period ended December 31, 2012
(All amounts are shown in Philippine Peso, unless otherwise stated)

Note 1 - General information

The Company was incorporated and registered with the Securities and Exchange Commission (SEC) in 1964 as Pacific Cement Company, Incorporated to engage in the manufacture and trading of cement and related products. In June 2000, the SEC approved the change in the primary purpose of the Company to that of a holding company and changed its corporate name to PACEMCO HOLDINGS, INC. (PACEMCO). Simultaneous therewith, PACEMCO spun off its cement manufacturing and mining facility and assets to Pacific Cement Philippines, Inc. (PACEMPHIL) in exchange for 100% of the shares of stock of PACEMPHIL. This investment was subsequently sold in November 2000.

In December 2000, PACEMCO acquired 100% of the share capital of NextStage, Inc. ("NextStage" or the "Company"), a company established to take advantage of the opportunities in the rapidly growing technology sector and the emerging electronics economy. Subsequently, the shareholders of PACEMCO, during a meeting held in the first quarter of 2001, approved the proposed merger of PACEMCO with NextStage. On June 11, 2001, the SEC approved the merger of PACEMCO and its subsidiary NextStage, with PACEMCO as the surviving corporation. Subsequently, SEC also approved the change in name from PACEMCO to NextStage, Inc.

The Company's shares are listed in the Philippine Stock Exchange but the trading of the Company's shares is currently suspended. The Company has 305 shareholders owning 100 and more shares each as at December 31, 2012 and 2011.

As at December 31, 2012 and 2011, Perfect Research Technology Corporation (PRTC), registered and domiciled in the Philippines and is the parent company and the ultimate controlling party, owns 67.74% equity interest in the Company.

The Company's registered office address is 20th Floor, Wynsum Corporate Plaza, F. Ortigas, Jr. Road, Ortigas Center, Pasig City. Its principal place of business is at No. 38 San Lorenzo Street, Barrio Kapitolyo, Pasig City.

The Company has no regular employee as at December 31, 2012 and 2011. The record keeping of its transactions is outsourced to a third party consultant.

The financial statements have been approved and authorized for issuance by the Board of Directors on April 30, 2013.

Quasi-reorganization and increase in authorized share capital

On May 28, 2004, the Board of Directors approved a resolution for the application of P32,049,701 share premium against the Company's deficit of P74,282,135 as at December 31, 2003. The application was approved by the SEC in June 2004.

In 2004, the major shareholders advanced P13.1 million to fund the Company's cash flow requirements. The shareholders opted to transfer P35 million of their outstanding advances into deposit for future share subscriptions.

In 2005, the Company acquired Technology Support Services Inc. ("TSSI") by issuing 113.5 million shares to PRTC, previous shareholder of TSSI, in exchange for 100% of the shares of stock of TSSI. As a result of this transaction, the equity interest of the original shareholders of the Company has been diluted from 100% to 32.26%. PRTC owns 67.74% equity interest of the Company as at December 31, 2012 and 2011.

In connection with this acquisition, the SEC approved NextStage's increase in authorized share capital to P170 million divided into 170 million shares at P1 par value per share from P100 million divided into 100 million shares at P1 par value per share on August 24, 2005.

Status of operations

In 2005, the Company acquired 100% of the shares of stock of TSSI. TSSI was a company established to engage in the business of providing technology support services and solutions for wireless, mobile and internet gaming providers. TSSI has developed application of Internet and Mobile Intermediation Platform (IMIP) to provide such support services.

The acquisition of TSSI was originally foreseen as a strategic move on the part of the Company to expand the Group's technology services portfolio, which include smart card payments and health care industry solutions. TSSI's business is aligned with global technology business developments such as Business Process Outsourcing (BPO), Applications Service Providers (ASP) and Managed Service Providers (MSP).

In 2007, TSSI's service offerings with key prospective customers did not materialize and the Group continued to incur significant losses from its operations mainly arising from depreciation charges. On December 31, 2007, the Company entered into a Memorandum of Agreement with PRTC whereby the latter will take full control and management of the Company's subsidiaries (Note 5). Under the agreement, the Company shall remain as the legal owner of the shares of stock of the subsidiaries but shall cede control, management, beneficial ownership and administration of the business (including assets and liabilities) of these subsidiaries to PRTC.

Starting December 31, 2007, following the transfer of control of the subsidiaries to PRTC, the Company has gone into a state of dormancy, awaiting further management plans. The Company's ability to operate on a going concern basis is dependent upon its ability to generate immediate additional capital infusion and sufficient cash flows to meet its obligations, to develop sustainable business strategies and undertake measures to attain long-term financial stability. Despite the Company's capital position at December 31, 2012, management believes that the Company will be able to continue as a going concern considering the business plans discussed below.

As of March 2013, NextStage is being revitalized into a holding company for projects, ventures, businesses and assets primarily in the ASEAN, Japan and neighboring Asian countries without industry-specific limitations.

Being a publicly listed holding company in the Philippine Stock Exchange (PSE), the Company's position as a prime mover in ASEAN–focused businesses is a very compelling competitive edge. This widens the reach of the Company and hedges the Company's well-being across the performance of all the ASEAN member economies. This is also expected by management to improve the liquidity of the Company due to an ASEAN-wide market interest for a Philippine-based holding company.

In March 2013, the Company's management has started discussions with various investment groups to raise new capital and is also seriously considering another public offering to raise more funds for its investments and holdings subject to regulatory approval and permit. The Company has begun to identify target projects, ventures, businesses and assets that can be included in the business holdings of the company for which NextStage may issue shares in exchange for owning them.

The main controlling shareholder, PRTC, plans to convert the amounts due to related parties, advances from shareholders and deposit for future share subscription aggregating to P113,074,880 into equity in 2013 after securing regulatory approval.

Note 2 - Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS), Interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial Reporting Standards Council (FRSC) and adopted by SEC.

As discussed in Note 1, the Company has gone into a state of dormancy starting December 31, 2007. Accordingly, the Company no longer presented a statement of total comprehensive income as permitted by the SEC. Earnings per share for each of the three years in the period ended December 31, 2012 is nil.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets which are subsequently carried at fair value.

Following the transfer of control of the subsidiaries to PRTC (Note 5), the Company has no longer prepared consolidated financial statements effective December 31, 2007.

The preparation of financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Company

There are no PFRS or IFRIC interpretations that are effective for the first time for the financial year beginning January 1, 2012 that would be expected to have a material impact on the Company.

(b) New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after January 1, 2012, and have not been applied in preparing these financial statements. None of these is relevant on the financial statements of the Company, except the following as set out below:

- *PFRS 9, Financial Instruments* (effective January 1, 2015). This new standard addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the parts of PAS 39 that relate to the classification and measurement of financial instruments. PFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the PAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, part of the fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than profit or loss, unless this creates an accounting mismatch. The Company does not anticipate any impact of adopting PFRS 9.

- *PFRS 13, Fair Value Measurement* (effective January 1, 2013). This new standard aims to improve consistency and reduce complexity by providing a clarified definition of fair value and a single source of fair value measurement and disclosure requirements for use across PFRS. The Company will adopt PFRS 13 beginning January 1, 2013, but it is not expected to have any impact in the financial statements.

2.2 Financial assets

2.2.1 Classification

The Company classifies its financial assets in the following categories: (i) financial assets at fair value through profit or loss, (ii) loans and receivables, (iii) held-to-maturity financial assets, and (iv) available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Company did not hold financial assets under the categories (i) and (iii).

As to category (ii), the Company's loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivables. These are included in current assets, except for maturities greater than 12 months after the reporting date which are included as part of non-current assets.

As to category (iv), the Company's available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are measured at fair value and are included in non-current assets unless management intends to dispose of the investment within 12 months from reporting date. The Company's available-for-sale financial assets comprise of investments in shares of stock (Note 5).

2.2.2 Recognition, measurement and derecognition

(a) Recognition

Regular-way purchases and sales of financial assets are recognized on trade-date - the date on which the Company commits to purchase or sell the asset. The Company recognizes financial assets in the statement of financial position when, and only when, the Company becomes a party to the contractual provision of the instrument.

(b) Measurement

Financial assets are initially recognized at fair value plus transaction costs. Loans and receivables are subsequently measured at amortized cost using the effective interest rate method. Available-for-sale financial assets are subsequently measured at fair value. Changes in the fair value of securities classified as available-for-sale are recognized in other comprehensive income.

(c) Derecognition

Financial assets are derecognized when the right to receive cash flows have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2.2.3 Impairment

For financial assets carried at amortized cost, the Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Company uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the debtor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Company, for economic or legal reasons relating to the debtor's financial difficulty, grants to the debtor a concession that the Company would not otherwise consider;
- It becomes probable that the debtor will enter bankruptcy or other financial reorganization;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio.

For loans and receivables category, the Company first assesses whether an objective evidence of impairment exists individually for receivables that are individually significant, and collectively for receivables that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed receivable, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses those for impairment. Receivables that are individually assessed for impairment and for which impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the profit or loss within operating expenses. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the profit or loss within operating expenses. Reversals of previously recorded impairment provision are based on the result of management's update assessment, considering the available facts and changes in circumstances, including but not limited to results of recent discussions and arrangements entered into with customers as to the recoverability of receivables at the end of the reporting period. Subsequent recoveries of amounts previously written-off are credited against operating expenses in the profit or loss.

In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its costs is an indicator that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss is removed from equity and recognized in profit or loss. Impairment losses recognized in profit or loss on equity instruments are not reversed through the profit or loss.

2.3 Financial liabilities

2.3.1 Classification

The Company classifies its financial liabilities as: (i) financial liabilities at fair value through profit or loss and (ii) other financial liabilities measured at amortized cost. The Company does not have any of financial liabilities at fair value through profit or loss.

The Company's financial liabilities comprise of trade payables and other liabilities (Note 6), due to related parties (Note 7), advances from shareholders (Note 7) and deposit for future share subscription (Note 1) which are carried at amortized cost using the effective interest rate method. These are included in current liabilities, except for maturities greater than 12 months after the reporting date or when the Company has an unconditional right to defer settlement for at least 12 months after the reporting date which are classified as non-current liabilities.

2.3.2 Recognition, measurement and derecognition

(a) Recognition

Other financial liabilities at amortized cost are recognized in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

(b) Measurement

The Company's financial liabilities are initially measured at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest rate method.

(c) Derecognition

Financial liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires. When an existing financial liability is replaced by another financial liability from the same creditor with substantially different terms, or the terms of an existing liability are substantially modified, such modification is treated as a derecognition of the original financial liability and a recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in profit or loss within finance costs.

2.4 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.5 Determination of fair value

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets in Level 1 is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. As at December 31, 2012 and 2011, the Company's available-for-sale financial assets (Note 5) are classified under level 3.

2.6 Cash

Cash includes cash on hand. These are carried in the statement of financial position at face or nominal amount.

2.7 Receivables

Receivables are recognized initially at fair value, normally equal to its invoice amount. These are subsequently measured at amortized cost using the effective interest rate method and presented in the statement of financial position net of allowance for impairment, if any.

A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that receivables are impaired. This assessment is performed on an individual and collective basis. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in profit or loss within costs and expenses. When a receivable remains uncollectible, after the Company has exerted all legal remedies, it is written-off against the allowance account for receivables.

2.8 Investments in subsidiaries

A subsidiary is an entity in which the Company has control over the financial and operating policies of the entity so as to obtain benefits from its contributions. Control is normally demonstrated by an ownership of more than 50% of the outstanding share capital of the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. The Company also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Company's voting rights relative to the size and dispersion of holdings of other shareholders give the Company the power to govern the financial and operating policies.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Investments in subsidiaries, are accounted for using the cost method in the financial statements of the Company. Under this method, investments are recognized at cost less accumulated impairment losses, if any. Cost also includes direct attributable costs of the investments. Upon disposal of investment in a subsidiary, the difference between the proceeds and carrying amount of the investment is recognized in profit or loss within other income (expenses).

The Company determines at each reporting date whether there is an objective evidence that the investments in subsidiaries are impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the investments in subsidiaries and its carrying value and recognizes the amount in profit or loss within other expenses.

Income from investment is recognized in profit or loss within other income when its right to receive dividends has been established.

The investments in subsidiaries are derecognized when the Company loses control over the subsidiary or upon the disposal of the investment.

2.9 Impairment of non-financial assets

Non-financial assets that are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses, if any, are recognized as other expenses in the profit or loss. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10 Current and deferred income tax

The income tax expense for the period comprises current and deferred tax. Income tax expense is recognized in profit or loss within income tax (expense) credit, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax (DIT) is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. DIT is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects either accounting nor taxable profit or loss. DIT is determined using tax rates and laws enacted or substantively enacted at the reporting date and are expected to apply when the related DIT asset is realized or DIT liability is settled.

DIT assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. DIT liabilities are recognized in full for all taxable temporary differences, except to the extent that the DIT liability arises from the initial recognition of goodwill.

DIT expense or credit is recognized for the changes in DIT assets and liabilities during the period. Income tax expense includes income tax as currently payable and those deferred because of temporary differences in the financial and tax reporting bases of assets and liabilities.

DIT assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when DIT assets and liabilities relate to income taxes levied by the same taxation authority where there is an intention to settle the balances on a net basis.

The Company reassesses at each reporting date the need to recognize a previously unrecognized DIT asset.

2.11 Trade payables and other liabilities

Trade payables and other liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business. These are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established or when the corresponding assets and expenses are recognized.

Trade payables and other liabilities are derecognized when it is extinguished, that is, when the obligation specified in a contract is discharged or cancelled, or when the obligation expires.

2.12 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required upon settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2.13 Share capital and share premium

Ordinary or common shares which do not have redemption features are classified as equity. Share capital is measured at par value. Proceeds in excess of the par value of shares issued or additional capital contribution without corresponding issuance of shares are credited to share premium. Incremental costs directly attributable to the issue of new shares are shown in the equity as a deduction from the proceeds, net of tax.

Where the Company purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity.

2.14 Earnings per share

Basic earnings (loss) per share is computed by dividing profit (loss) for the year attributable to the shareholders by the weighted average number of shares outstanding during the year.

2.15 Dividend distribution; retained earnings (deficit)

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's Board of Directors.

Retained earnings (deficit) represent the accumulated profit or loss as a result of the operations of the Company less any dividends declared.

2.16 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the ordinary course of business. The Company recognizes revenue only if it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably. The following are the specific revenue recognition policies of the Company:

a) Interest income

Interest income is recognized when it is determined that such income will accrue to the Company and is presented net of final tax withheld by the banks.

b) Other income

All other income is recognized as earned or when the right to receive payment is established.

2.17 Cost and expenses

Cost and expenses are charged to profit or loss in the period these are incurred. These are presented in the statement of total comprehensive income by function of expense.

2.18 Foreign currency transactions and translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are prepared in Philippine Peso, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into Philippine Peso using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss within other income (expenses).

2.19 Related party relationships and transactions

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

2.20 Subsequent events

Post year-end events that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

Note 3 - Financial risk and capital management

3.1 Financial risk management

The Company's overall risks management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet its operating cash requirements. The Company manages liquidity risk by monitoring expected cash flows and seeks funding from its shareholders to meet its operating commitments. Given the status of the Company's operations and plans as discussed in Note 1, there is no perceived liquidity risk.

The Company's financial liabilities at December 31, 2012 and 2011, which are due and demandable, are as follows:

Trade payables and other liabilities	468,070
Due to related parties	46,011,226
Advances from shareholders	32,063,654
Deposit for future share subscription	35,000,000
	113,542,950

The Company is not exposed to other risks such as market and credit risks. Market risk includes foreign currency exchange, price and interest rate risk.

3.2 Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, obtain borrowings from banks, and issue new shares or sell assets to reduce debt. Total capital being managed by the Company is its total equity as shown in the statement of financial position.

As discussed in Note 1, the main controlling shareholder plans to convert the amounts due to related parties, advances from shareholders and deposit for future share subscription aggregating to P113,074,880 into equity in 2013 after securing regulatory approval. The Company is also currently negotiating with various investment groups to raise new capital and is also seriously considering another public offering to raise more funds for its investments and holdings. The Company has identified target projects, ventures, businesses and assets that can be included in the holdings of the company for which NextStage may issue shares in exchange for owning them.

Note 4 - Critical accounting estimates, assumptions and judgments

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Company believes the following represent a summary of these significant estimates, assumptions and judgments and their related impact and associated risks in the financial statements:

a) Contingencies (Note 9)

The Company is currently involved in various legal proceedings. Estimates of the probable costs for the resolution of these claims, if any, has been developed in consultation with internal and external counsels handling the Company's defense in these matters and is based upon the probability of potential results. The Company's management currently believes that these proceedings will not have a material effect on the financial statements. It is possible, however, that future results of operations could be materially affected depending on the actual outcome of the proceedings.

Note 5 - Available-for-sale financial assets

The Company's available-for-sale financial assets at December 31, 2012 and 2011 consist of investment in shares of stock of the following:

	Country of organization	Percent of ownership	Acquisition cost
Mondex Philippines, Inc. (MXP)	Philippines	90%	140,054,708
Technology Support Services, Inc. (TSSI)	Philippines	100%	113,507,831
Infinit-E Asia, Inc. (Infinit-E)	Philippines	100%	24,610,000
Mondex Protector Philippines, Inc. (MPPI)	Philippines	100%	5,519,933
			283,692,472

Prior to December 31, 2007, the foregoing entities are considered as subsidiaries of the Company. These entities have incurred continuing losses in previous years which resulted in capital deficiencies. Accordingly, these investments have been fully impaired as of December 31, 2007.

On December 31, 2007, as discussed in Note 1, the Company entered into a Memorandum of Agreement with PRTC whereby the latter will take full control and management of the Company's subsidiaries. Under the agreement, the Company shall remain as the legal owner of the shares of stock of the subsidiaries but shall cede control, management, beneficial ownership and administration of the business (including assets and liabilities) of these subsidiaries to PRTC.
As a result of the contractual arrangement with PRTC, the investments in subsidiaries were derecognized and reclassified as available-for-sale financial assets at its fair value which was assessed to be nil.

Note 6 - Trade payables and other liabilities

Trade payables and other liabilities at December 31, 2012 and 2011 consist of:

Trade payables	280,740
Accrued expenses and other liabilities	187,330
	468,070

The carrying amounts of trade payables and other liabilities approximate their fair values.

Note 7 - Related party transactions

There are no transactions with related parties for each of the three years in the period ended December 31, 2012. Outstanding balances with the related parties at December 31, 2012 and 2011 are as follows:

	Balances	Terms and conditions
Advances from shareholders	32,063,654	• Payable in cash with no fixed repayment date • Unguaranteed and unsecured • Non-interest bearing
Due to related parties:		
Infinit-E	37,524,240	• Payable in cash with no fixed repayment date • Unguaranteed and unsecured • Non-interest bearing
MXP	5,409,033	
TSSI	3,077,953	
	46,011,226	

Note 8 - Income tax

There are no transactions in 2012 and 2011 giving rise to taxable income or deferred income tax.

Note 9 - Contingencies; Pending litigations

On April 18, 2002, a civil case was filed by Fuller International Inc. ("Fuller") and FLSA automation A/S ("FLSA") against the Company in its capacity as successor-in-interest of PACEMCO (formerly known as Pacific Cement Company, Inc.) and PACEMPHIL before the Regional Trial Court of Makati City Branch 138. In the complaints, Fuller and FLSA alleged that PACEMCO has an outstanding obligation to them amounting to US$247,611 and US$320,821, respectively, although all obligations of PACEMCO were assigned to PACEMPHIL including its outstanding obligations to Fuller and FLSA and despite the written admission of responsibility for payment by PACEMPHIL. Fuller and FLSA claim that the Company should be made liable for whatever debts the latter had incurred to Fuller and FLSA.

A similar case was filed by ING-BHF Bank Aktiengesellschaft against the Company and PACEMPHIL before the Regional Trial Court of Makati Branch 148. The Plaintiff alleges that NextStage, Inc., as successor-in-interest of PACEMCO, owes them EUR1,812,687 with interest as well as payment for damages, attorney's fees and expenses of litigation.

Resolutions of the above cases are still pending with the respective courts at April 30, 2013. Management believes that the ultimate outcome of the cases, based on the opinion of the Company's legal counsel, will not have a material effect on the financial statements of the Company.

Note 10 - Supplementary information required by Bureau of Internal Revenue (BIR)

The following information is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

(a) Supplementary information required by Revenue Regulations No. 15-2010

Below is the additional information required by RR No. 15-2010.

Output value-added tax (VAT)

The Company has no transactions that are subject to output VAT for the year ended December 31, 2012.

Input VAT

The Company has no transactions that are subject to input VAT for the year ended December 31, 2012.

Importations

The Company does not have any purchases of imported goods subject to customs duties and tariff fees for the year ended December 31, 2012.

Excise tax

The Company is not engaged in the manufacture or production of certain specified goods or articles subject to excise tax for domestic sale or consumption or for any disposition for the year ended December 31, 2012.

Documentary stamp tax

The Company does not have transactions relating to acceptance, assignment, sale or transfer of an obligation, right or property requiring recognition, accrual or payment of documentary stamp tax for the year ended December 31, 2012.

All other local and national taxes

There were no local and national taxes paid or accrued for the year ended December 31, 2012.

Tax assessments

The Company did not receive any final notice of assessment from the BIR for the year ended December 31, 2012.

Tax cases

The Company does not have any outstanding tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside of the BIR as at December 31, 2012.

(b) Supplementary information required by Revenue Regulations No. 19-2011

The Company's schedules for the year ended December 31, 2012 follow:

(i) Sales/receipts/fees

The Company has no sales subject to the regular income tax rate of 30%.

(ii) Cost of sales/services

The Company has no cost of sales subject to the regular income tax rate of 30%.

(iii) Non-operating and taxable other income

The Company has no non-operating and taxable other income subject to the regular income tax rate of 30%.

(iv) Itemized deductions

The Company has no itemized deductions which are subject to the regular income tax rate of 30%.

(v) Taxes and licenses

The details of the Company's taxes and licenses are presented in section (a) of this note.

SECOND SECTION

SCHEDULE A

NextStage, Inc.

Financial Assets
December 31, 2012

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end reporting period	Income received and accrued
		Not applicable		

SCHEDULE H

NextStage, Inc.

Capital Stock
December 31, 2012

Title of issue	Number of shares authorized	Number of shares issued and outstanding shown under related balance sheet caption	Number of shares reserved for options, warrants conversion, and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common shares	170,000,000	167,559,179	-	113,507,831	31,211,486	22,839,862

SCHEDULE B

NextStage, Inc.

Amounts Receivable from Directors, Officers, Employees, Related Parties
and Principal Shareholders (other than Related Parties)
December 31, 2012

Name and designation of debtor	Balance at beginning of year	Additions	Amounts collected	Amounts written off	Current	Non-current	Balance at end of year
		NOT APPLICABLE					

SCHEDULE C

NextStage, Inc.

Amounts Receivable from Related Parties which are eliminated
during the consolidation of financial statements
December 31, 2012

Name and designation of debtor	Balance at beginning of year	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at end of year
		NOT APPLICABLE					

SCHEDULE D

NextStage, Inc.

Intangible Assets - Other Assets
December 31, 2012

Description	Beginning balance	Additions at cost	Charged to cost and expenses	Charged to other accounts	Other changes-additions (deductions)	Ending Balance
NOT APPLICABLE						

SCHEDULE E

NextStage, Inc.

Long-Term Debt
December 31, 2012

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Borrowings, current portion" in the statement of financial position	Amount shown under caption "Borrowings, net of current portion" in the statement of financial position
	NOT APPLICABLE		

SCHEDULE F

NextStage, Inc.

Indebtedness to Related Parties
(Long-Term Loans from Related Parties)
December 31, 2012

Name of related party	Balance at beginning of year	Balance at end of year
NOT APPLICABLE		