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SEC Registration Number

(Company's Full Name)

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

(Contact Person)

(Company Telephone Number)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

To be accomplished by SEC Personnel concerned

File Number

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ZEUS HOLDINGS, INC.

20/F, LKG Tower, 6801 Ayala Avenue, Makati City
Tel. No. (632) 884-1106 / Telefax (632) 884-1409

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO ALL DIRECTORS:

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Stockholders of **ZEUS HOLDINGS, INC.** will be held on **16 November 2011 (Wednesday)** at **2:00 p.m.** at the **Penthouse, Lepanto Building, 8747 Paseo de Roxas, Makati City**. The agenda of the meeting will be as follows:

1. Call to Order
2. Proof of Notice/Determination of Quorum
3. Approval of Minutes of Previous Meeting dated 11 November 2010
4. Chairman's Report
5. Approval of 2010 Audited Financial Statements
6. Ratification of Acts of the Board of Directors and Officers from 11 November 2010 up to the Date of the Stockholders' Meeting
7. Nomination and Election of Directors
8. Appointment of External Auditors
9. Other Matters
10. Adjournment

For purposes of the meeting, stockholders of record at the close of business on **22 September 2011** shall be entitled to vote thereat.

Stockholders who cannot attend the meeting in person are requested to submit their proxies to the office of the Corporation. If the stockholder is a corporation, a Secretary's Certificate quoting the board resolution authorizing the corporate officer to execute the proxy should also be submitted.

Makati City, 7 October 2011.

By Resolution of the Board of Directors:

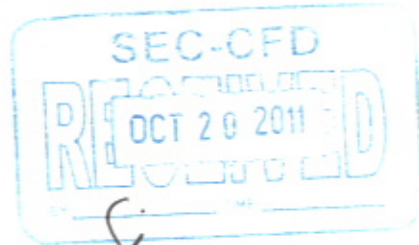

DAISY L. PARKER
Corporate Secretary

Att: SEC Form 20-IS (Information Statement)
Management Report
Audited Financial Statements for the period ended 31 December 2010
SEC Form 17-Q (Quarterly Report for the period ended 30 June 2011)

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:
ZEUS HOLDINGS, INC.

3. Province, Country or other jurisdiction of incorporation or organization
Metro Manila, Philippines

4. SEC Identification Number: **102415**

5. BIR Tax Identification Code: **000-056-514**

6. Address of Principal Office Postal Code
20/F, LKG Tower, 6801 Ayala Avenue, Makati City 1226

7. Registrant's telephone number, including area code: **(632) 884-1106**

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

Date : **Wednesday, 16 November 2011**
Time : **2:00 p.m.**
Place : **Penthouse, Lepanto Bldg., 8747 Paseo De Roxas, Makati City**

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **on or before 21 October 2011**

10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA:

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	2,733,463,907
Loans	Nil

11. Are any or all of registrant's securities listed on a stock exchange?

Yes X No

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

Philippine Stock Exchange ("PSE")

Common

A handwritten signature in blue ink, appearing to be "RMB".

INFORMATION STATEMENT

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

PART I. GENERAL INFORMATION

Date, Time and Place of Meeting of Security Holders

The Annual Stockholders' Meeting of Zeus Holdings, Inc. ("Zeus" or the "Company") will be held on Wednesday, 16 November 2011 at 2:00 p.m. at the Penthouse, Lepanto Bldg., 8747 Paseo de Roxas, Makati City. The complete mailing address of its principal office is 20th Floor, LKG Tower, 6801 Ayala Avenue, Makati City 1226.

Definitive copies of this Information Statement will be sent to all stockholders entitled to notice and vote approximately on or before 21 October 2011.

Dissenters' Right of Appraisal

Generally, a stockholder shall have the right to dissent and demand payment of the value of his shares in the instances stated in Section 81 of the Corporation Code, as follows: (a) amendment of the articles of incorporation which has the effect of changing or restricting the rights of any stockholders or class of shares; or authorizing preferences in any respect superior to those outstanding; or of extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or disposition of all or substantially all of the corporate property and assets; and (c) in case of merger and consolidation.

The appraisal right abovementioned may be exercised by any stockholder who shall have voted against the proposed corporate action, by making a written demand on the corporation within 30 days after the date on which the vote was taken for payment of the fair value of his shares. Provided, That failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of the certificate or certificates of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of 60 days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within 30 days after such award is made: Provided, That no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment; and Provided, further, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation.

The present meeting, however, is being called to approve the following matters:

- a. the minutes of the previous stockholders' meeting;
- b. 2010 Audited Financial Statements;
- c. ratification of corporate acts;
- d. election of directors; and
- e. appointment of external auditors.

Hence, there is no basis for the exercise of the appraisal right.



Interest of Certain Persons In or Opposition To Matters to Be Acted Upon

No person who has been an officer or director of Zeus at any time since the beginning of the last fiscal year, or nominee as director of Zeus, nor any of their associates, has or has had any substantial interest in the Company (direct or indirect) in the matters to be acted upon during the annual stockholders' meeting.

Neither has any of the directors informed the Company in writing that he or she intends to oppose any action to be taken by the Company at the said meeting.

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

PART II. CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

Number of Shares Outstanding/Record Date

<u>Class</u>	<u>No. of Shares Outstanding</u>	<u>No. of Votes to Which Entitled</u>
Common	2,733,463,907	2,733,463,907

(As of 30 September 2011)

The record date for those who shall be entitled to vote has been fixed at 22 September 2011.

Voting Rights

In the Annual Stockholders' Meeting, stockholders shall be entitled to elect nine (9) members to the Board of Directors. Each stockholder may vote the number of shares standing in his name in the books of Zeus for each of nine persons whom he may choose from the list of nominees; or he may cumulate said shares and give one candidate as many votes as the number of his shares multiplied by nine shall equal; or he may distribute them on the same principle among as many candidates as he shall see fit, provided that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by nine.

Security Ownership of Certain Record and Beneficial Owners (more than 5%) as of 30 September 2011

<i>Title of Class</i>	<i>Name and Address of Record Owner and Relationship with Issuer</i>	<i>Name of Beneficial Owner and Relationship with Record Owner</i>	<i>Citizenship</i>	<i>No. of Shares Held</i>	<i>Percent</i>
Common	PCD Nominee Corporation* / G/F Makati Stock Exchange, Ayala Ave., Makati City / Stockholder	PCD Participants (Brokers) / Various Individuals and Corporations / Clients	Filipino	956,632,030	35%
Common	Zamcore Realty and Development Corporation**/ 5/F Lepanto Bldg., 8747 Paseo De	Zamcore Realty and Development Corporation	Filipino	929,377,728	34%

	Roxas, Makati City / Stockholder				
Common	F. Yap Securities, Inc.*** / 17/F Lepanto Building, 8747 Paseo de Roxas, Makati City / Broker	Horizon Resources Corporation / Client	Filipino	410,019,586	15%
Common	F. Yap Securities, Inc.**** / 17/F Lepanto Building, 8747 Paseo de Roxas, Makati City / Broker	Lindsay Resources Corporation / Client	Filipino	410,019,586	15%

* PCD Nominee Corporation, a private company and wholly-owned subsidiary of the Philippine Central Depository, Inc. (PCDI), is the registered owner of the Zeus shares. However, beneficial ownership of such shares pertains to the PCD participants (brokers) and/or their clients (corporations or individuals), in whose names these shares are recorded in their respective books. Per PCD List of Beneficial Owners dated 30 September 2011, there is no specific nominee to vote these shares, as the shares are held by different brokers. Brokers issue the proxy in accordance with the instructions of their principals-clients/beneficial owners of the shares. The Company has no knowledge as to whether a single individual or entity holds beneficial ownership of at least 5% or more of Zeus shares registered in the name of PCD Nominee Corporation.

**Zamcore Realty and Development Corporation ("ZRDC") acquired all of its shares in Zeus through its broker F. Yap Securities, Inc. (FYSI). These shares were part of the 2,555,788,753 shares of stock in the Company sold by ZHI Holdings, Inc. to FYSI In Trust For Various Clients on 20 June 2007. The Board of ZRDC shall designate its authorized representatives to vote these shares in accordance with the Board's resolutions/instructions.

***FYSI holds the 410,019,586 Zeus shares in trust for Horizon Resources Corporation (HRC) and shall vote these shares in accordance with the instructions of HRC.

****FYSI holds the 410,019,586 Zeus shares in trust for Lindsay Resources Corporation (LRC) and shall vote these shares in accordance with the instructions of LRC.

Security Ownership of Management (as of 30 September 2011)

Title of Class	Name of beneficial owner	Amount and nature of beneficial ownership	Citizenship	Percent of class
Common	Felipe U. Yap	1*(d)	Filipino	0%
	Yuen Po Seng	1*(d)	Malaysian	0%
	Jose G. Cervantes	1*(d)	Filipino	0%
	Augusto C. Villaluna	1*(d)	Filipino	0%
	Stephen Y. Yap	1*(d)	Filipino	0%
	Ronald P. Sugapong	1*(d)	Filipino	0%
	Daisy L. Parker	1*(d)	Filipino	0%
	Jesus Clint O. Aranas	1 (d)	Filipino	0%
	Oliver S. Faustino	1 (d)	Filipino	0%
		Total	9	

*Registered in their names but held in trust for FYSI.

Voting Trust Holders of 5% or More of Outstanding Voting Securities

There is no voting trust or similar arrangement for 5% or more of the Company's shares.

Change in Control of the Registrant Since Beginning of Last Fiscal Year

There has been no change in the control of Zeus since the beginning of the last fiscal year.

Directors and Executive Officers

Legal Proceedings

There are no material pending legal proceedings to which the directors or executive officers of the registrant are parties.

Directors and Executive Officers – Positions/Other Directorships

All of the present directors of Zeus have been nominated/are up for re-election in its forthcoming election.

The Articles of Incorporation and By-Laws of Zeus provide for a nine-member Board of Directors. The directors are elected for a term of one year and serve until the election and acceptance of their qualified successors.

As a corporation publicly listed in the Philippine Stock Exchange, Zeus conforms with the procedures for nomination of directors as provided under SRC Rule 38, as amended, and the Corporation's Manual on Corporate Governance. Nominations for independent directors are conducted by the Nomination Committee prior to the stockholders' meeting. All recommendations are required to be signed by the nominating stockholder together with the acceptance and conformity by the would-be nominees.

The Nomination Committee prepares a Final List of Candidates which contains all the information about all the nominees for independent directors, and the same is made available to all stockholders through the Information Statement or Proxy Statement, as the case may be.

Only nominees whose names appear on the Final List of Candidates are eligible for election as independent directors. No other nomination is entertained after the Final List has been prepared or allowed on the floor during the Annual Stockholders' Meeting.

In case of failure of election for independent directors, the Chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.

In case of resignation, disqualification or cessation of independent directorship, the vacancy shall be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum, upon the nomination of the Nomination Committee; otherwise, said vacancy shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected shall serve only for the unexpired term of his predecessor.

The following are the incumbent directors/officers of Zeus, who were elected as such for a period of one (1) year at the previous annual stockholders' meeting held on 11 November 2010, and who are also nominated for the same positions in the forthcoming Annual Stockholders' Meeting. The list below includes the directorships/officerships held by the Company's present directors in other corporations within the last five (5) years. For companies listed in the PSE, the years during which the Company's directors served as officer/director therein are likewise indicated.

- a. FELIPE U. YAP (74), Filipino – Director/Chairman (4 November 1998 to present)
 - Chairman and Chief Executive Officer of Lepanto Consolidated Mining Company* (1988 to present), Lepanto Investment & Development Corporation, Diamant Boart Philippines, Inc., Diamond Drilling Corporation of the Philippines, Far Southeast Gold Resources, Inc., Manila Mining Corporation* (1998 to present), and Shipside, Inc.



- *Director/Chairman of Prime Orion Philippines, Inc.** (2000 to present), FLT Prime Insurance Corporation, Orion Land Inc., Lepanto Ceramics, Inc., Tutuban Properties, Inc., Orion I Holdings Philippines, Inc., Yapster e-Conglomerate, and Kalayaan Copper-Gold Resources, Inc.
 - *Director of Manila Peninsula Hotel, Inc., Philippine Associated Smelting & Refining Corporation, Philippine Fire & Marine Insurance Corporation, Orion Property Development, Inc., and Lepanto Condominium Corporation*
- b. YUEN PO SENG (53), Malaysian – Director/President (4 November 1998 to present)
- *President/Director of Prime Orion Philippines, Inc.** (2002 to present), Lepanto Ceramics, Inc., Orion I Holdings Philippines, Inc., FLT Prime Insurance Corporation, Guoco Assets (Philippines), Inc., and Hong Way Holdings, Inc.
 - *Director/Chairman/President of ZHI Holdings, Inc., Orion Solutions, Inc., Genez Investments Corporation, Treasure-House Holdings Corporation, and OYL Holdings, Inc.*
 - *Director of Cyber Bay Corporation** (2002 to present), Central Bay Reclamation and Development Corporation, Orion Land Inc., Tutuban Properties, Inc., Orion Property Development, Inc., TPI Holdings Corporation, BIB Aurora Insurance Brokers, Inc., OE Holdings, Inc., Orion Maxis Inc., Orion Beverage, Inc., and Hume Furniture (Philippines), Inc.
- c. JOSE G. CERVANTES (77), Filipino – Director (28 November 2007 to present)
- *Director of Manila Mining Corporation** (2006 to present) and Lepanto Consolidated Mining Company* (2006 to present)
- d. AUGUSTO C. VILLALUNA (62), Filipino – Director/Vice-President (28 November 2007 to present)
- *Director of Manila Mining Corporation** (2004 to present), Philippine Mine Safety and Environment Association, Philippine Association of Professional Regulatory Board Members, Inc., and Lindsay Resources Corporation
 - *Executive Vice-President of Lepanto Consolidated Mining Company** (April 2011 to present)
- e. STEPHEN Y. YAP (43), Filipino – Director (28 November 2007 to present)
- *President of Starman Sales, Inc.*
 - *Vice-President for Special Projects of Tutuban Properties, Inc.*
- f. RONALD P. SUGAPONG (44), Filipino – Director/Treasurer (14 March 2001 to present)
- *Director (2007 to present)/Senior Vice-President (2009 to present)/Treasurer (2007 to present) of Prime Orion Philippines, Inc.**
 - *Director/Treasurer of Orion I Holdings Philippines, Inc., Orion Land Inc., Tutuban Properties, Inc., Orion Property Development, Inc., TPI Holdings Corporation, Lepanto Ceramics, Inc., ZHI Holdings, Inc., OE Holdings, Inc., Orion Maxis Inc., Orion Solutions, Inc., Orion Beverage, Inc., OYL Holdings, Inc., 22Ban Marketing, Inc., Guoco Assets (Philippines), Inc., and Hong Way Holdings, Inc.*
 - *Treasurer of FLT Prime Insurance Corporation*
- g. DAISY L. PARKER (47), Filipino – Director/Corporate Secretary (14 March 2001 to present)
- *Director (2000 to present)/Senior Vice-President for Legal (2009 to present)/Corporate Secretary (2000 to present) of Prime Orion Philippines, Inc.**



- *Director/Corporate Secretary of Orion Land Inc., Tutuban Properties, Inc., Orion Property Development, Inc., TPI Holdings Corporation, Orion I Holdings Philippines, Inc., Lepanto Ceramics, Inc., Orion Beverage, Inc., FLT Prime Insurance Corporation, BIB Aurora Insurance Brokers, Inc., Orion Solutions, Inc., ZHI Holdings, Inc., 22Ban Marketing, Inc., OE Holdings, Inc., OYL Holdings, Inc., Maxcellon Inc., and Orange Grove Investments Corporation*
 - *Director of Guoco Assets (Philippines), Inc., Hong Way Holdings, Inc.*
 - *Corporate Secretary of Orion Maxis Inc., Genez Investments Corporation, Treasure-House Holdings Corporation and Max Limousine Service Inc.*
- h. JESUS CLINT O. ARANAS (44), Filipino – Independent Director (12 December 2002 to present)
- *Managing Partner of Aranas Law Offices*
 - *Director/President of Liyam Property, Inc.*
 - *Director/Corporate Secretary of Philippines Epsilon Property Holdings, Inc., Easy Pharma Philippines, Inc., INS Health-Tech Philippines, Inc., and GEI Investment Philippines, Inc., Buyanihan Philippines, Inc., iCube, Inc., iCommunity, Inc., and World FC MNL, Inc.*
 - *Director of Rural Bank of Magallon*
 - *Corporate Secretary of Epsilon Precision (Philippines), Inc., Philippines Epsilon Optical, Inc., and Platform2u.com Philippines Inc.*
- i. OLIVER S. FAUSTINO (32), Filipino – Independent Director (30 June 2009 to present)
- *Associate of Aranas Law Offices*
 - *Director and Corporate Secretary of Liyam Property, Inc. and NCREH, Inc.*
 - *Director of LPO Manila, Inc.*

*Listed in the PSE.

The Company's Nomination Committee was constituted on 27 November 2003. It is presently composed of two regular directors (Messrs. Yap and Yuen) and is chaired by an independent director in the person of Atty. Jesus Clint O. Aranas. Atty. Aranas and/or Aranas Law Offices do not render any legal or other service to the Company. Atty. Aranas has fully discharged his functions as such independent director for the current year and has again been nominated by a stockholder of Zeus, OE Holdings, Inc. (OEHI), represented by its authorized representative, Ms. Diana T. Quilala, to serve in the same capacity for the coming year. Atty. Oliver Faustino was elected as independent director on 30 June 2009 by the Board of Directors, replacing Atty. Rhea A. Jaro, who had resigned as director effective 30 June 2009. Like Atty. Aranas, Atty. Faustino has been nominated by OEHI, through Ms. Quilala, to serve in the same capacity for the coming year. Both Atty. Aranas and Atty. Faustino have no relationship with the nominating party. They have already given their consent to the said nomination. No other persons were nominated to the position.

The nominations of Attys. Aranas and Faustino are in accordance with Article IV, Section 4 of the Company's *Amended By-Laws*. The amendment to the Company's *By-Laws*, pertaining to nomination and election of Independent Directors, was made on 20 September 2005 and approved by the Securities and Exchange Commission on 25 November 2005, in compliance with Rule 38 of the Securities and Regulation Code (as amended).

Significant Employees

Zeus has no employee who is expected to make any significant contribution to its business.



Family Relationships

Except for Messrs. Felipe U. Yap and Stephen Y. Yap, who are related to each other to the third civil degree (Mr. Felipe U. Yap is the uncle of Mr. Stephen Y. Yap), the directors, executive officers, or persons nominated or chosen by Zeus to become directors or executive officers are not related up to the fourth civil degree either by consanguinity or affinity.

Involvement in Certain Legal Proceedings

There has been no occurrence of any of the following events during the past five years up to the date of filing of this Information Statement that are material to any evaluation of the ability of any director or executive officer of Zeus:

- 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 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 electronic marketplace or self-regulatory organization, to have violated a securities or commodities law, and the judgment has not been reversed, suspended or vacated.

Certain Relationships and Related Transactions

- a. Except for shareholder advances and deposits for future subscription made in 2009 and 2008 by F. Yap Securities, Inc.-In Trust for Various Clients as indicated in Note 5.1 (captioned Related Party Transactions) in the Notes to Zeus' Audited Financial Statements for the Years Ended 31 December 2009 and 2008, there has been no transaction during the last two (2) years, or proposed transactions, to which Zeus was or is to be a party, in which any of the following persons had or is to have a direct or indirect material interest:
 - i) any director or executive officer of the registrant;
 - ii) any nominee for election as a director;
 - iii) any security holder named in response to Part II herein;
 - iv) any member of the immediate family (including spouse, parents, children siblings, and in-laws) of any of the persons in the immediately preceding subparagraphs.
- b. Zeus does not have a parent company, as no one stockholder owns more than 50% of its shares. Based on the corporate records in Zeus' possession, the largest record and beneficial owner of its shares is Zamcore Realty and Development Corporation, owning 929,377,728 shares, representing 34% of the outstanding capital stock of Zeus.

Resignation of Directors

No director of Zeus has resigned or declined to stand for re-election due to any disagreement involving the Company.



Compensation of Directors and Executive Officers

The members of the Board of Directors and Officers of Zeus have not received any compensation of whatever nature for the current year to date as well as for the last two fiscal years. There are no contracts or arrangements for the Company to pay any of its directors or officers monetary or non-monetary compensation (i.e. stock warrants or options).

Independent Public Accountants

It is proposed that the firm of Punongbayan & Araullo, the external auditor of Zeus for the immediately preceding fiscal year, be re-appointed as the external auditor of the Company. Since 2010, the Partner-in-Charge assigned to handle the Zeus account has been Mr. Nelson J. Dinio. Pursuant to Rule 68, paragraph 3(b)(iv), of the Implementing Rules and Regulations of the Securities Regulation Code on the rotation of external auditors or signing partner in case of a firm, Mr. Dinio's term as Partner-in-Charge of the Zeus account is for five (5) years or until 2014. He replaced the previous Partner-in-Charge, Ms. Mylene Sigue-Bisnar. Representatives of the said firm have been invited to be present at the Annual Stockholders' Meeting. Thus, if they attend, they may be able to answer questions that may arise in the course thereof.

Punongbayan & Araullo was selected by the Company's Audit Committee which is composed of the following:

Chairman	-	Atty. Jesus Clint O. Aranas
Member	-	Ronald P. Sugapong
Member	-	Stephen Y. Yap

There have been no disagreements between Zeus and its accountants/external auditor on any accounting matter since the last annual stockholders' meeting to date.

PART III. OTHER MATTERS

Action with Respect to Reports

Minutes of Annual Stockholders' Meeting dated 11 November 2010 will be submitted for approval of stockholders. Among the matters included in the Minutes of Annual Stockholders' Meeting are the following: (1) Approval of the Minutes of the previous Stockholders' meeting dated 5 November 2009; (2) Chairman's Report; (3) Approval of Audited Financial Statements; (4) Ratification of Corporate Acts; (5) Nomination and Election of Directors; and (6) Appointment of External Auditors.

Among the corporate acts included under item (4) above are the following:

- Approval of the audited financial statements for the year ended 31 December 2009
- Report on Operations for the Calendar Year (CY) 2009
- Postponement of the ASM scheduled in June 2010
- Approval of the Company's Revised Manual on Corporate Governance
- Report on Operations for the First Quarter of CY 2010
- Approval of F. Yap Securities, Inc.-In Trust for Various Clients' Infusion of Deposit for Future Subscription to the Company's Shares of Stock in the amount of P300,000.
- Authorization to issue/convert shares of stock in the Company in uncertificated form



- Report on Operations for the Second Quarter of CY 2010
- Setting of the Annual Stockholders' Meeting on 11 November 2010
- Creation of Special Committee of Inspectors for Validation of Proxies
- Confirmation of nomination of Attys. Aranas and Faustino as Independent Directors
- Appointment of the Corporate Secretary and Assistant Corporate Secretary as authorized signatories to the Information Statement (SEC Form 20-IS) for CY 2010
- Approval of Audit Committee Report of the period from 1 July to 30 September 2010
- Report on Operations for the Third Quarter of CY 2010
- Appointment of External Auditor for the CY 2010
- Certification of Election of Directors for CY 2011
- Election of Officers for CY 2011
- Appointment of the Company's Compliance Officer and Members of the Nomination Committee, Compensation and Remuneration Committee, and Audit Committee as required under the Manual on Corporate Governance
- Appointment of the Company's Compliance Officer as required under the Anti-Money Laundering Manual
- Designation of the Company's Bank Signatories

Voting Procedures

Vote Required for Approval or Election

Article III, Section 7 of the By-Laws of Zeus states that a plurality vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present, shall decide all elections and all questions (such as, but not limited to, approval of audited financial statements and minutes of previous meetings, appointment of external auditors, payment of directors' fees, etc.) except in cases where other provision is made by statute or by the Articles of Incorporation (such as the amendment of the By-laws as stated below).

Article IV, Section 4 of the By-Laws of Zeus states that at each meeting of stockholders for the election of directors, at which a quorum is present, the persons receiving the highest number of votes of the stockholders present in person or by proxy and entitled to vote, shall be the directors.

Method by which Votes will be Counted

Unless demanded by a stockholder present in person or by proxy, the vote in any question need not be by ballot. Each shareholder may vote in person or by proxy the number of shares of stock standing in his name on the books of the Corporation. Each share represents one vote. During the meeting, voting for the approval/ratification of the matters to be presented during the meeting and election of directors shall be by viva voce or show of hands. Counting of votes shall be supervised by the Corporate Secretary/Assistant Corporate Secretary and the transfer agent of Zeus.



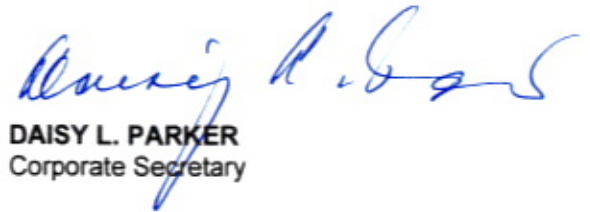
UNDERTAKING

THE MANAGEMENT OF ZEUS UNDERTAKES TO PROVIDE TO ITS STOCKHOLDERS OF RECORD AS OF THE CUT-OFF DATE, UPON THEIR WRITTEN REQUEST, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A FREE OF CHARGE. COPIES OF EXHIBITS AND ATTACHMENTS THERETO MAY ALSO BE PROVIDED SUBJECT TO THE PAYMENT OF REASONABLE CHARGES TO COVER PRODUCTION COSTS. ALL WRITTEN REQUESTS FOR COPIES OF THE ANNUAL REPORT AND EXHIBITS MAY BE ADDRESSED TO THE COMPANY'S CORPORATE SECRETARY, ATTY. DAISY L. PARKER, AT 20/F, LKG TOWER, 6801 AYALA AVENUE, MAKATI CITY.

SIGNATURE

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 20 October 2011.

By:



DAISY L. PARKER
Corporate Secretary

**ZEUS HOLDINGS, INC.
MANAGEMENT REPORT**

Business and General Information

Zeus Holdings, Inc. ("Zeus" or the "Company") was incorporated on 31 December 1981 as JR Garments, Inc. under Securities and Exchange Commission ("SEC") registration number 0102415, as a corporation engaged in garments manufacturing, distribution and export.

On 9 September 1996, the SEC approved the change of name of the Company from JR Garments, Inc. to ZEUS HOLDINGS, INC. and the change in its primary purpose to that of an investments holding company.

The Company discontinued its garments operation on 31 August 1996 and consequently, all of its employees were terminated. On 27 December 1996, the Company disposed all its assets and liabilities relating to the garments operation.

The Company also increased its authorized capital stock from P100 million to P3 billion. The increase was approved by the SEC on 6 January 1997. Of the capital increase, 1,538,463,907 shares were subscribed and paid by way of assignment of rights in real property worth P31.423 million and common shares of stock of Mindanao Portland Cement Corporation ("MPCC") at a transfer value of P1.457 billion by the new investors and the conversion of advances to equity of P50 million by existing shareholders. This major transaction marked the entry of the Company in the cement business. The Company became the majority owner (99.63%) of MPCC, a company engaged in the manufacturing and distribution of cement.

On 1 July 1998, the Company's major stockholders, Far East Cement Corporation and Eagle Cement Corporation sold in favor of Blue Circle Philippines, Inc. ("BCPI") and Round Royal, Inc. ("RRI") shares of stock comprising 57% of its outstanding capital stock. As of 31 December 1999, the shareholdings of Round Royal, Inc. comprised 50% while BCPI was at 24%.

Also on 1 July 1998, MPCC issued a One Billion Peso Convertible Note with a maturity date of 1 July 2003 in favor of BCPI. The Convertible Note can be settled either by: (1) payment of the principal amount plus interest, or (2) conversion into such number of common shares of MPCC issued at par value sufficient to cover the Note plus interest.

The Company, for its part, entered into an Option Agreement with BCPI on 1 July 1998. Under the Option Agreement, the holder of the Convertible Note issued by MPCC was given the right to require the Company to purchase from it the whole (and not just a part) of the Convertible Note. The Put Option may be exercised at any time within five (5) years from the execution of the Option Agreement. The holder of the Convertible Note may be paid either: (1) the principal amount plus accrued interest, or (2) such number of new shares of the Company issued at par value as may be sufficient to cover the value of the Convertible Note.

BCPI subsequently assigned its rights under the Option Agreement in favor of RRI. In a letter dated 7 December 1999, RRI served notice upon the Company that it was exercising its option under the Option Agreement to require the Company to issue, in its favor, new shares in the amount of P1,095,000,000.00 (principal amount of the loan plus interest) in exchange for the Convertible Note. As a result thereof, the outstanding capital stock of the Company was increased to P2,733,463,907.00 from P1,638,463,907.00.

On 8 December 1999, the Board of Directors of the Company approved the integration of its operations and activities with the operations and activities of Fortune Cement Corporation



("Fortune") and its subsidiary, Republic Cement Corporation ("Republic") and Iligan Cement Corporation ("Iligan") under the following swap ratios:

1,000 common shares of Republic	= 1,575 Fortune shares
	= 14,411 Company shares
	= 206 Iligan shares

The integration of the four (4) companies was effected on 20 October 2000. As a result thereof, Republic obtained majority control of the Company.

On 15 December 2000, the Company divested its equity interest in MPCC in favor of Republic.

In accordance with the SEC Tender Offer Rules, PICOP Holdings, Inc. (now known as ZHI Holdings, Inc. or "ZHIHI") offered to purchase the 98.18% equity interest of Republic in the Company at a price of P0.04826 per share. ZHIHI likewise offered to buy the remaining 1.82% equity stake of minority shareholders under the same terms. The offer period began on 22 November 2000 and ended on 20 December 2000. Republic accepted the offer of ZHIHI and divested all its equity holdings in the Company in favor of the latter. Minority shareholders owning 290,000 common shares of the Company also accepted the tender offer of ZHIHI. As a result, ZHIHI acquired a 98.533% equity stake in the Company.

In August 2001, ZHIHI sold off 14,864,576 of its shares in the Company or approximately 0.53% of its equity therein. Thus, ZHIHI retained a 98% equity stake in the Company.

In June 2007, ZHIHI further sold off 2,555,788,753 of its shares in the Company, or approximately 93.5% of the outstanding capital stock of Zeus, to F. Yap Securities, Inc. in Trust For Various Clients, namely Zamcore Realty Corporation, Horizon Resources Corporation, Lindsay Resources Corporation, Sharone King, Charles Paw, Grace Cerdenia, and George Ivan Ang, thus further reducing its equity stake in the Company to 4.5%. At present, the largest stockholder of the Company is Zamcore Realty Corporation, holding a 34% equity stake in the Company.

On 13 July 2009, pursuant to its business plan of going into the mining industry, the Company entered into an Operating Agreement with Olympic International Sales Corporation ("OISC"), whereby the Company was appointed as operator of OISC's mining claims situated in the municipalities of Carrascal, Cantillan and Madrid, Province of Surigao del Sur, with an approximate area of 4,656.9165 hectares (the "Mining Claims"). The Mining Claims are currently the subject of Application for Production Sharing Agreement No. 000115-XI ("APSA"), pending with the Mines and Geosciences Bureau ("MGB"), CARAGA Regional Office No. XIII, Surigao City. Under the Operating Agreement, the Company will be responsible for the prosecution of the APSA until the same is approved and a Mineral Production Sharing Agreement issued. The Company will explore, and if warranted, develop and operate the Mining Claims.

Also on 13 July 2009, in consideration for the Company's appointment as operator of the Mining Claims, the Company entered into an Agreement to Subscribe to Shares and to Issue Shares with OISC, whereby the Company would issue to OISC 10,000,000 shares out of the Company's un-issued capital and granted OISC the option to subscribe to 110,000,000 shares of the Company as follows:

- a) Ten Million (10,000,000) shares from the Company's unissued capital within one (1) year from the issuance of the Mineral Production Sharing Agreement ("MPSA"); and



- b) One Hundred Million (100,000,000) shares from the Company's unissued capital within five (5) years from the issuance of the MPSA.

Notwithstanding the foregoing, the Company currently has minimal operations and, thus, has no full-time employees.

Legal Proceedings

There is a pending case entitled "*Nicasio Alcantara and Alsons Development and Investment Corporation vs. Angelina Floro, Elizabeth Floro, David Floro, Teresa E. Balaguer, Zeus Holdings, Inc. and Eagle Cement Corporation*", Civil Case No. 98-076, Branch 132, Regional Trial Court ("RTC"), Makati City. By way of background, defendants Angelina Floro, et al. entered into an agreement with Alsons Development & Investment Corporation ("ALDEVINCO") in July 1990 whereby the latter was granted a right of first refusal over the sale of the shares and/or operating assets of MPCC. Under the said agreement, ALDEVINCO had a period of 30 days to match any offer for the MPCC shares.

In March 1995, ALDEVINCO received notice from defendants that they were selling their shares in MPCC to ZHI. ALDEVINCO alleges that it did not exercise its right of first refusal over the offered shares because the offer price quoted was substantially in excess of their fair market price. However, plaintiffs claim that they subsequently learned that the actual purchase price paid by ZHI for the MPCC shares was much less than the price quoted to them. Thus, they are asking that the sale of the MPCC shares to ZHI be rescinded and that the shares be re-offered to them at the same price as that given to ZHI. Additionally, plaintiffs are asking for an award of P1 million for exemplary damages and attorney's fees.

Eagle Cement Corporation ("ECC") was belatedly impleaded as the buyer of the MPCC shares from the Floros, which it in turn transferred to ZHI. In an Order dated 14 October 2003, the RTC declared ECC in default for its failure to file an Answer to the *Complaint*. ECC filed a *Motion for Reconsideration* ("MR") of the said Order on the ground that it was not properly served with summons. However, the motion was denied by the RTC in an Order dated 4 May 2004. Thus, ECC filed a *Petition for Certiorari* with the Court of Appeals ("CA") seeking to have the aforementioned Orders declared null and void.

In a *Decision* dated 31 May 2005, the CA granted the petition and enjoined the RTC from proceeding with the trial of the case until summons has been properly served on ECC.

On 1 September 2006, the RTC directed the issuance of alias summons on ECC. On 18 May 2007, the alias summons was served on one of ECC's directors, Mary Ann M. Ongsitco. However, on 25 October 2007, the trial court issued an *Order*, holding that service of the alias summons on Ms. Ongsitco was not valid, and directing plaintiffs to effect proper service of the alias summons within sixty (60) days from their receipt of the *Order*.

On 13 February 2008, the RTC dismissed the Civil Case for failure of the plaintiffs to serve summons on ECC and for lack of interest. On 16 May 2008, however, the RTC reconsidered the 13 February 2008 dismissal Order and, on 11 July 2008, denied defendants' subsequent motion for reconsideration, constraining the latter to file a *Petition for Certiorari [With Application for Writ of Preliminary Injunction]* ("PC") with the CA on 9 September 2008. The PC was docketed as CA-G.R. SP No. 105197, entitled "*Angelina Floro, et al. vs. Hon. Rommel O. Baybay, in his capacity as Presiding Judge of Regional Trial Court of Makati, Branch 132, et al.*" On 10 July 2009, the CA issued a *Resolution* dismissing the PC with respect to petitioners Elizabeth Floro and Teresa Balaguer, as they were not among those who signed the Verification and Certification of Non-Forum Shopping.



In the meantime, on 29 October 2008, ECC filed a *Motion to Dismiss Ex Abundante Ad Cautelam* ("MTD") on the grounds that the claim against ECC has been extinguished and that the complaint failed to state a cause of action against it. On 7 January 2009, the RTC issued an *Order* granting the MTD and dismissed the complaint as against ECC. Plaintiffs filed an MR of the said *Order* which was denied on 16 March 2009. Thus, on 19 June 2009, plaintiffs filed a PC with the CA. After due proceedings, on 14 May 2010, the CA issued a *Decision* denying the PC. On 10 June 2010, petitioners filed an MR. On 16 September 2010, the CA issued a *Resolution* denying the MR.

In the meantime, on 2 June 2009, defendants Floros and the Company filed an Omnibus Motion a. To Dismiss for Lack of Cause of Action, and b. To Cancel the Hearing on the Affirmative Defenses (previously set by the court on ECC's affirmative defenses). On 18 June 2009, the RTC issued an *Order* which dismissed the case as against the Company and canceled the hearing on ECC's affirmative defenses. However, the *Order* denied the prayer for dismissal of the case as against the rest of Defendants. On 1 July 2009, the plaintiffs filed a *Motion for Partial Reconsideration* ("MPR") of the 18 June 2009 *Order* insofar as it dismissed the case as against the Company. On 20 July 2009, the Company filed a *Comment/Opposition* to the MPR. On 28 July 2009, the plaintiffs filed a *Reply*. On 11 January 2011, the RTC issued a *Resolution* denying the MPR. As the RTC's ruling on the dismissal of the case as against the Company has not been assailed in a higher court, the RTC *Order* dated 18 June 2009 and the *Resolution* dated 11 January 2011 has already become final and executory.

In the meantime, pre-trial with respect to the other defendants (excluding ZHI and ECC) has been completed and presentation of evidence is ongoing.

Plan of Operation

Since acquiring majority ownership of the Company in 2007, the current major stockholders have considered engaging in the mining business in order to revitalize its operations and attain profitability.

Consistent with this plan, on 13 July 2009, the Company entered into an Operating Agreement with OISC, which would allow the Company to operate certain mining claims of OISC in Surigao del Sur and to prosecute APSA No. 000115-XI, pending with the MGB. The Company has already made timely and proper disclosures with the SEC and the Philippine Stock Exchange ("PSE") regarding this transaction with OISC.

In addition to the said Mining Claims, the Company is presently looking at and evaluating certain areas located in the northern and southern regions believed to be rich in mineral deposits. Once agreements are in place for the lease or acquisition of these areas, the Company will make the timely and proper disclosures to the SEC and PSE.

The Company is currently in a deficit position, with a net loss of P663,023 for the year 2010. However, considering that the Company's loss is minimal, the major stockholders commit to support the operations of the Company. In the immediate term, the major stockholders will provide the cash requirements of the Company.

The Company is not considering any product research and development for the next twelve (12) months, nor is there any expected purchase or sale of plant and significant equipment, or significant changes in the number of employees.



Management's Discussion and Analysis of Plan of Operation

Year 2010

As of 31 December 2010, total assets stood at P413,691, which is 45% lower compared to the previous year. Cash decreased by 85% due to settlement of operating expenses of the Company during the year. Other current assets increased due to input value added tax on listing and audit fees. Due to related party represents inter-company charges. Deposit for future stock subscription increased by 9%, as advances from a major shareholder during the year was recorded as such.

During the year, the Company posted a net loss of P663,023, which is 7% higher than last year's P621,550. The increase is attributable to higher professional fees and expenses for the annual stockholders meeting.

The Company is aware of the magnitude of the country's untapped metal and mineral deposits, especially in the northern and southern Philippines, and views the same as an excellent opportunity for the Company to attain a high level of productivity and profitability in the next several years.

With this in mind, on 13 July 2009, the Company entered into an Operating Agreement with OISC covering OISC's Mining Claims in the province of Surigao del Sur. The Mining Claims have an approximate total area of 4,656.9 hectares and are the subject of an APSA pending with the MGB, CARAGA Regional Office, Surigao City. The Operating Agreement gives the Company the authority to prosecute the APSA until the same is approved and, after such approval, to explore the Mining Claims. In consideration therefor, the Company shall pay OISC royalties in an amount equivalent to three percent (3%) of the Net Smelter Returns on metal sales and, pursuant to the Agreement to Subscribe to Shares and to Issue Shares with OISC dated 13 July 2009, issue to OISC 10,000,000 shares out of the Company's un-issued capital, and grant OISC the option to subscribe to 110,000,000 shares of the Company as follows:

- a) Ten Million (10,000,000) shares from the Company's unissued capital within one (1) year from the issuance of the MPSA; and
- b) One Hundred Million (100,000,000) shares from the Company's unissued capital within five (5) years from the issuance of the MPSA.

The above-agreements were unanimously passed and approved by the Company's Board of Directors during a special meeting held on 13 July 2009 and ratified by the Company's stockholders representing 83.27% of the outstanding capital stock during the annual meeting of the stockholders held on 5 November 2009.

The Mining Claims have a very promising potential for the occurrence of both gold-copper and nickel laterite deposits. Surface exploration works so far completed disclosed copper-gold mineralization in the northwestern portion as indicated by pyritic quartz veins in dioritic host rocks that contain chalcopyrite, bornite and copper oxide minerals. The southeastern part of the Mining Claims is underlain by the same ultra basic rocks that form the host rocks of nickel laterite mines. The Company is still awaiting issuance by the MGB of a MPSA over the Mining Claims.

The Company has been engaged in preliminary talks with potential partners, both foreign and local, who have expressed interest in partnering with the Company in the utilization and exploitation not only of the Mining Claims, but also of additional mining sites currently being studied by the Company for acquisition, located in the northern and southern Philippines.



In the past three (3) years, FYSI-In Trust for Various Clients has infused over P4 million in the form of Deposit for Future Subscription to enable the Company to meet its cash requirements, amounting to P2,930,900 (in 2008), P350,000 (in 2009), P300,000 (in 2010), and P700,000 (as of 30 June 2011).

In the next twelve months, the major stockholders are expected to continue to provide the cash requirements of the Company.

There are no expected major changes in its operations, including any significant changes in its manpower compliment or the purchase and sale of plant or other major equipment. Except as may be required for the exploration and preliminary studies on the aforesaid mining claims/sites, the Company has no on-going or planned research and development activities for the same period.

The top 5 performance indicators of the Company are as follows:

Ratios	Formula	30-Jun-11	31-Dec-10	31-Dec-09
Current Ratio	Current assets / Current liabilities	1.09 :1 616,624 / 562,004	0.57 :1 413,691 / 721,831	1.08 :1 751,012 / 696,129
Debt to Equity Ratio	Total liabilities / Stockholders' equity	10.29:1 562,004 / 54,620	(2.34) :1 721,831 / -308,140	12.68 :1 696,129 / 54,883
Capital Adequacy Ratio	Stockholders' equity / Total assets	0.088:1 54,620 / 616,624	(0.74) :1 (308,140) / 413,691	0.07 :1 54,883 / 751,012
Book value per share	Stockholders' equity / Total # of shares	0.000019 54,620 / 2,733,463,907	(0.00011) (308,140) / 2,733,463,907	0.00002 54,883 / 2,733,463,907
Loss per Share	Net loss / Total # of shares	(0.00012) (337,240) / 2,733,463,907	(0.00024) (663,023) / 2,733,463,907	(0.00023) (621,550) / 2,733,463,907

Current Ratio shows the Company's ability to meet its short term financial obligation. As of 30 June 2011, the Company has P1.09 centavos worth of current assets for every peso of liabilities as compared to the current ratio of P0.57 as of 31 December 2010. This increase is attributable to the increase in cash and input value added tax.

Debt to Equity Ratio indicates the extent of the Company to which debt is covered by shareholder's fund. It reflects the relative position of the equity holders and the lenders. As of 30 June 2011, the Company's ratio is not sufficient to meet its liabilities. However, the major shareholder is willing to support the Company as the need arises.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 31 December 2011, the Company's Adequacy Ratio registered at P0.088 compared to negative P0.74 as of 31 December 2010.

Book Value Per Share measures the recoverable amount in the event of liquidation if assets are realized at book value. The Company has a book value per share of P0.000019 as of 30 June 2011.

Loss Per Share is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 30 June 2011, the Company recorded a loss per share of P0.00012.

Full Fiscal Years

Discussion and analysis of material event/s and uncertainties known to management that would address the past and would have an impact on future operations of the following:

- (i) *Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.*

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

- (ii) *Events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation*

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

- (iii) *Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.*

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

- (iv) *Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures.*

The Company has not entered into any material commitment for capital expenditure.

- (v) *Any known trends, events or uncertainties (material impact on sales/revenues/income)*

There are no known trends, events or uncertainties that have material impact on net sales.

- (vi) *Any significant elements of income or loss (from continuing operations)*

The Company did not recognize income or loss during the period that did not arise from continuing operations.

- (vii) *Causes of any material changes from period to period of the Financial Statements which shall include vertical and horizontal analyses of any material item (5%)*

Any material change from period to period of the Financial Statements is included in the Management Discussion and Analysis.

- (viii) *Seasonal aspects that have material effect on the Financial Statements*



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

Year 2009

As of 31 December 2009, total assets stood at P751,012, which is 26% lower compared to the previous year. Cash decreased by about 40% due to settlement of operating expenses of the Company during the year. Other current assets increased due to input value added tax on listing and audit fees. Due to related party represents inter-company charges. Deposit for future stock subscription increased by 12%, as advances from a major shareholder during the year was recorded as such.

During the year, the Company posted a net loss of P621,550, which is 6% lower than last year's P664,322. Although other operating expenses was higher during the year as a result of an increase in the annual general meeting expenses, such increase was cushioned by lower professional and training fees incurred for the year.

The top 5 performance indicators of the Company are as follows:

Ratios	Formula	31-Dec-09	31-Dec-08	31-Dec-07
Current Ratio	Current assets / Current liabilities	1.08 :1 751,012 / 696,129	1.48:1 1,008,949 / 682,516	0.13:1 301,643/2,241,788
Debt to Equity Ratio	Total liabilities / Stockholders' equity	12.68:1 696,129 / 54,883	2.09:1 682,516 / 326,433	(1.16): 1 2,241,788/(1,940,145)
Capital Adequacy Ratio	Stockholders' equity / Total assets	0.07 :1 54,883 / 751,012	0.32 :1 326,433 / 1,008,949	(7.43): 1 (1,940,145)/ 301,643
Book value per share	Stockholders' equity / Total # of shares	0.00002 54,883 / 2,733,463,907	0.00012 326,433 / 2,733,463,907	(0.00071) (1,940,145)/2,733,463,907
Loss per Share	Net loss / Total # of shares	(0.00023) (621,550) / 2,733,463,907	(0.00024) (664,322) / 2,733,463,907	(0.00024) (657,168)/2,733,463,907

Current ratio shows the Company's ability to meet its short term financial obligation. As of 31 December 2009, the Company has P1.08 centavos worth of current assets for every peso of liabilities as compared to last year's P1.48. Decrease is attributable to payment of various operating expenses.

Debt to Equity ratio indicates the extent of the Company to which debt is covered by shareholder's fund. It reflects the relative position of the equity holders and the lenders. As of 31 December 2009, the ratio is extremely high, however, the major shareholder is willing to support the Company as the need arise.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 31 December 2009, the Company's Adequacy Ratio is P0.07 compared to last year's P0.32.

Book value per share measures the recoverable amount in the event of liquidation if assets are realized at book value. The Company has book value per share of P0.00002 as of December 31, 2009.

Loss per share is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 31 December 2009, the Company recorded a loss per share of P0.00023 which is 6% lower than the previous year.

Full Fiscal Years

Discussion and analysis of material event/s and uncertainties known to management that would address the past and would have an impact on future operations of the following:

- (i) *Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.*

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

- (ii) *Events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation*

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

- (iii) *Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.*

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

- (iv) *Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures.*

The Company has not entered into any material commitment for capital expenditure.

- (v) *Any known trends, events or uncertainties (material impact on sales/revenues/income)*

There are no known trends, events or uncertainties that have material impact on net sales.

- (vi) *Any significant elements of income or loss (from continuing operations)*

The Company did not recognize income or loss during the period that did not arise from continuing operations.

- (vii) *Causes of any material changes from period to period of the Financial Statements which shall include vertical and horizontal analyses of any material item (5%)*

Any material change from period to period of the Financial Statements is included in the Management Discussion and Analysis.

- (viii) *Seasonal aspects that have material effect on the Financial Statements*



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

Year 2008

As of 31 December 2008, total assets stood at P1,008,949, a 234% increase from last year. A major shareholder made advances to the Company resulting to a 510% increase in cash. Increase in other current assets is attributable to input value added tax on listing and audit fee. Accounts payable and accrued expenses increased due to unreleased payment to a service provider as of 31 December 2008. On 30 September 2008, Due to Related Parties was converted to Deposit for Future Stock Subscription.

During the year, the Company registered a slight increase in net loss from P657,168 to P664,322. The increase is attributable to the increase in listing and professional fee, photocopying expense and cost of seminar attended by an executive. However, it was cushioned by lower other operating expenses during the year.

The top 5 performance indicators of the Company are as follows:

Ratios	Formula	31-Dec-08	31-Dec-07	31-Dec-06
Current ratio	Current Assets/ Current Liabilities	1.48 :1 1,008,949/682,516	0.13:1 301,643/2,241,788	0.12:1 168,110/451,087
Debt to equity ratio	Total Liabilities/ Stockholders' Equity	2.09 : 1 682,516/ 326,433	(1.16): 1 2,241,788/(1,940,145)	(1.13): 1 1,451,087/(1,282,977)
Capital Adequacy Ratio	Stockholders' Equity/Total Assets	0.32: 1 326,433 / 1,008,949	(7.43): 1 (1,940,145)/ 301,643	(8.63): 1 (1,282,977)/168,110
Book value per share	Stockholders' Equity/ Total # of shares	0.00012 326,433 /2,733,463,907	(0.00071) (1,940,145)/2,733,463,907	(0.00047) (1,282,977)/2,733,463,907
Loss per share	Net Loss/Total # of Shares	(0.00024) (664,322)/2,733,463,907	(0.00024) (657,168)/2,733,463,907	(0.00018) (498,490)/2,733,463,907

Current ratio. As of 31 December 2008, the Company has P1.48 centavos worth of current assets for every peso of liabilities as compared to last year's P0.13. The increase is due to advances made by certain stockholders.

Debt to Equity ratio. As of 31 December 2008, the ratio showed that equity is insufficient to cover Company's debts. The major stockholder signified willingness to support Company as the need arises.

Capital Adequacy ratio. It measures the financial strength of the Company. As of 31 December 2008, the Company's Adequacy Ratio is positive P0.32 compared to last year's negative P7.43.

Book value per share. The Company has book value per share of P0.00012 as of 31 December 2008.

Loss per share. As of 31 December 2008, the Company's loss per share remained at negative P0.00024.

Full Fiscal Years

Discussion and analysis of material event/s and uncertainties known to management that would address the past and would have an impact on future operations of the following:

- (i) *Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.*

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

- (ii) *Events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation*

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

- (iii) *Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.*

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

- (iv) *Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures.*

The Company has not entered into any material commitment for capital expenditure.

- (v) *Any known trends, events or uncertainties (material impact on sales/revenue/income)*

There are no known trends, events or uncertainties that have material impact on net sales.

- (vi) *Any significant elements of income or loss (from continuing operations)*

The Company did not recognize income or loss during the period that did not arise from continuing operations.

- (vii) *Causes of any material change from period to period of the Financial Statements which shall include vertical and horizontal analyses of any material item (5%)*

Any material change from period to period of Financial Statements is included in the Management Discussion and Analysis.

- (viii) *Any seasonal aspect that has material effect on the Financial Statements*

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



Audit and Audit-Related Fees

The total fees for audit of annual financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements are as follows:

	2010	2009	2008
Professional Fees	120,000.00	90,000.00	85,000.00
Value Added Tax	14,400.00	10,800.00	10,200.00
Total Audit Fees	134,400.00	100,800.00	95,200.00

For the year 2011, the audit fee is estimated to be P130,000.00.

Tax Fees

Zeus did not engage the services of the external auditor in the past two (2) years for tax accounting, compliance advice, planning or any other form of tax services, and no fees were paid in connection therewith.

All Other Fees

Other than the audit and audit-related fees described above, the Company was not billed for any other fees by the external auditor for any other products or services.

The Company's Audit Committee considers and recommends to the Board the engagement of the external auditor's services in accordance with the policies laid down in its Manual on Corporate Governance, which includes reviewing and pre-approving all audit plans, scope and frequency at least one month before the conduct of external audit. The Audit Committee also performs direct interface functions with the external auditor as circumstances may warrant.

Market Information

The Company's common equity is traded at the PSE. For the preceding two (2) years as well as the first three quarters of the current year, the highs and lows of Zeus' stock market prices are as follows:

<u>Year</u>	<u>Quarter</u>	<u>High</u>	<u>Low</u>
2011	January-March	P0.215	P0.171
	April-June	0.210	0.178
	July-September	1.37	0.18
2010	January-March	P0.23	P0.185
	April-June	0.215	0.16
	July-September	0.23	0.161
	October-December	0.208	0.17
2009	January-March	P0.24	P0.225
	April-June	0.47	0.23
	July-September	0.36	0.21
	October-December	0.245	0.20

Zeus' stock was last traded at the PSE on 18 October 2011 at the price of 62 centavos (P0.62) per share.

Holders

As of 30 September 2011, Zeus has a total of eight hundred twenty-three (823) stockholders, the top twenty (20) of which are as follows:

<u>Name of Stockholder</u>	<u>No. of Shares</u>	<u>Percentage (%) of Shareholding</u>
1. PCD Nominee Corporation (Filipino)	956,632,030	35.00%
2. Zamcore Realty and Development Corporation	929,377,728	34.00%
3. a. F. Yap Securities, Inc. in Trust For Horizon Resources Corporation	410,019,586	15.00%
b. F. Yap Securities, Inc. in Trust For Lindsay Resources Corporation	410,019,586	15.00%
4. R. Coyiuto Securities, Inc.	10,310,000	0.38%
5. Far East Cement Corporation	6,283,906	0.23%
6. PCD Nominee Corporation (Non-Filipino)	2,989,000	0.11%
7. Linda H. Bugarin	2,325,006	0.09%
8. Antonio T. Vilar	1,486,000	0.05%
9. Peregrine Securities Phils., Inc.	592,000	0.02%
10. a. Jolly R. Bugarin	500,000	0.018%
b. Sy Tiong Shou &/or Juanita Tan	500,000	0.018%
11. Martin P. Lorenzo	300,000	0.011%
12. Wanda Michelle Buencamino	232,000	0.008%
13. Victoria C. Egan	160,000	0.006%
14. Imelda Tan Uy	88,000	0.003%
15. David Osmeña	70,000	0.003%
16. Luz Siy	65,000	0.002%
17. Vicente Cheng and/or Evangeline Cheng	60,000	0.002%
18. Pryce Securities, Inc.	50,200	0.002%
19. a. Ching Jung Chan and/or Tsai Li Mei	50,000	0.002%
b. Moises Ocampo and/or Josefina C. Ocampo	50,000	0.002%
c. Clemente Y. Ong	50,000	0.002%
d. Lucy Chua Sy	50,000	0.002%
20. PNB Securities, Inc.	35,000	0.001%
Total	<u>2,732,295,042</u>	<u>99.96%</u>

Dividends

The Company has not declared any cash dividend for the last three (3) calendar years.

Aside from the general legal restrictions that dividends may be paid only from surplus profits and in such a manner as will not impair the capital of the corporation, there are no other restrictions on the Company from paying dividends on common equity. It is not likely that any additional restrictions will arise in the foreseeable future.

Recent Sales of Unregistered Securities

The Company has not sold any unregistered securities during the past four (4) years.

* Based on information provided by Zeus' stock transfer agent, Banco De Oro UniBank, Inc. - Stock Transfer & Settlement Department

Audited Financial Statements and Interim Financial

The Audited Financial Statements of Zeus for the period ended 31 December 2010 and Interim Financial Statements for the period ended 30 June 2011 are attached hereto.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no known disagreements with Accountants on Accounting and Financial Disclosure.

Compliance with Corporate Governance

Pursuant to the requirements of the SEC, the Company's Corporate Secretary/Compliance Officer has submitted the required yearly certification to the SEC and the PSE on the extent of compliance by the Company with its Manual of Corporate Governance (the "Manual"). For purposes of evaluating compliance with the Manual, the Corporation has adopted the Corporate Governance Scorecard for Publicly-Listed Companies prescribed by the SEC. In February 2011, in compliance with the SEC Memorandum Circular No. 6, Series of 2009, the Company submitted to the SEC its Revised Manual on Corporate Governance (the "Revised Manual"), which incorporated the mandatory provisions of the Revised Code of Corporate Governance which were not included in the earlier version of the Manual. Thereafter, on 30 March 2011, pursuant to PSE Memorandum Circular No. 2011-028, the Company submitted its Report on its Compliance with Corporate Governance Guidelines following the Disclosure Survey Form prescribed by the PSE.

The Company has substantially complied with the Manual with the election of an independent director to the Company's Board for the past eight (8) years (in each of the last four (4) annual stockholders' meetings, two independent directors were elected to the Board); the creation of the Audit, Compensation and Remuneration, and Nomination and Election Committees and the election of the members of each committee; the regular conduct of meetings of the Board; attendance in meetings of the directors and committee members; and adherence to applicable accounting standards and disclosure requirements. In addition, all of the Company's directors have attended and completed a seminar on Corporate Governance conducted by a duly recognized and accredited institutional training provider. The Company has also designated a Compliance Officer who oversees compliance with the Revised Manual.

The Revised Manual contains a Plan of Compliance which not only provides for the duties of the Company's Board of Directors as a whole but also spells out the duties, responsibilities and functions of each individual director. The performance of the directors is measured against the criteria established in the Revised Manual. The directors are also expected to maintain certain continuing qualification standards, the absence of which shall be ground for the removal of a director from the Board. The Revised Manual likewise provides the criteria for the evaluation of the performance of the Company's top management.

The Company, however, is working on its systems and procedures to improve compliance with the Company's Revised Manual.

The Board is composed of a mix of executive and non-executive directors. The Board establishes the Company's vision and mission, strategies, objectives, and plans to guide the Company and direct its business endeavors.

The Company adheres to a business plan. The Management periodically prepares and submits to the Board financial reports which enable the Board and Management to assess the financial status of the Company.

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In April 2008, in line with its policy of transparency of information and timely and complete disclosure of all material facts relating to its business, the Company launched its official website (<http://www.zeusholdingsinc.com>), which contains the Company's corporate disclosures, including corporate governance reports submitted to the SEC and PSE, and other material information regarding the Company's management, operations, equity, share prices, and other aspects of the Company's business. The website is regularly updated.

Policies and procedures for the identification of potential conflicts of interests involving the Company's directors and officers are currently being developed. A Full Business Interest Disclosure Form has been adopted and has been complied with by the directors and key officers of the Company.

Except as specified hereunder, the Company has not committed any major deviations from the provisions of its Revised Manual. To date, the Company has not yet fully complied with the provisions of its Revised Manual with respect to the following:

1. Due to limited operations, the Company has no compensation scheme for its directors and officers; and
2. The handbook has not been finalized mainly due to the Company's limited operations and manpower, and the change in the shareholders of the Company.



ZEUS HOLDINGS, INC.

20/F LKG Tower, 6801 Ayala Avenue, Makati City
Tel. No. 884-1106 / Fax No. 884-1409

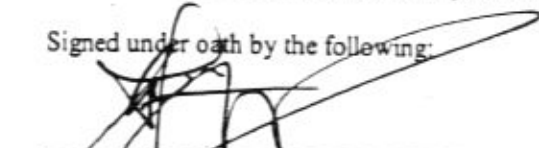
STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Zeus Holdings, Inc.** is responsible for the preparation and fair presentation of the financial statements as of 31 December 2010 and 2009 and for the years ended 31 December 2010, 2009 and 2008 in accordance with Philippine Financial Reporting Standards. 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.

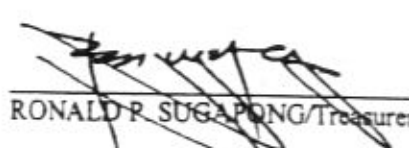
The Board of Directors reviews and approves the financial statements and submits the same to the stockholders of the Company.

Punongbayan & Araullo, the independent auditors and appointed by the stockholders, has examined the financial statements of the Company in accordance with Philippine Standards on Auditing and in its report to the Board of Directors and Stockholders has expressed its opinion on the fairness of presentation upon completion of such examination.

Signed under oath by the following:


FELIPE U. YAP/Chairman of the Board


YUEN PO SENG/President



RONALD P. SUGAPONG/Treasurer

Republic of the Philippines)
Makati City) S.S.

SUBSCRIBED AND SWORN to before me this APR 01 2011 day of _____ 2011 affiants exhibiting to me their passports as competent of their identities, as follows:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Date/Place Issued</u>
Felipe U. Yap	Ppt No. WW0232536	9-26-2007/Manila
Yuen Po Seng	Ppt No. A18147487	10-8-2007/Subang Malaysia
Ronald P. Sugapong	Ppt No. XX1614462	07-15-2008/Manila

Doc. No. 57;
Page No. 12;
Book No. 891;
Series of 2011.


ATTY. GERVACIO B. ORTIZ JR.
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2011
ROLL OF ATTORNEY 40091
MCL E COMPLIANCE NO. III-0014232



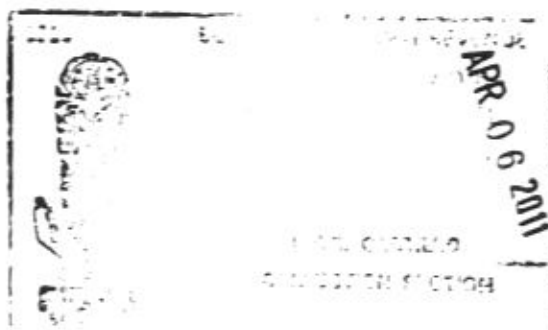
Punongbayan & Araullo

Member firm within Grant Thornton International Ltd

**Financial Statements and
Independent Auditors' Report**

Zeus Holdings, Inc.

December 31, 2010, 2009 and 2008





Punongbayan & Araullo

Report of Independent Auditors

20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

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www.punongbayan-araullo.com

The Board of Directors and Stockholders
Zeus Holdings, Inc.
20th Floor, LKG Tower
6801 Ayala Avenue
Makati City

Report on the Financial Statements

We have audited the accompanying financial statements of Zeus Holdings, Inc., which comprise the statements of financial position as at December 31, 2010 and 2009, and the statements of comprehensive income, statements of changes in equity (capital deficiency) and statements of cash flows for each of the three years in the period ended December 31, 2010, and a summary of significant accounting policies and other explanatory notes.

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.

Auditors' 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.

APR 08 2011

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.

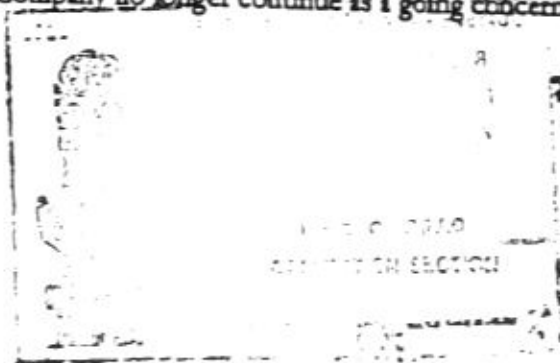
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Zeus Holdings, Inc. as at December 31, 2010 and 2009, and of its financial performance and its cash flows for each of the three years in the period ended December 31, 2010, in accordance with Philippine Financial Reporting Standards.

Emphasis of Matter

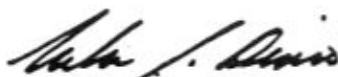
We draw attention to Note 1 to the financial statements which indicates that the Company incurred net losses of P663,023, P621,550 and P664,322 for the years ended December 31, 2010, 2009 and 2008, respectively. For the current year and the last few years, the Company has not undertaken any investing and operating activity. This condition and the Company's continuous incurrence of net losses which resulted in a deficit in the current and prior years raised substantial doubt about the Company's ability to continue as a going concern. The Company's management, however, continues to assess possible investment opportunities and various options regarding operations that the Company may undertake in the future. The accompanying financial statements do not include any adjustment relating to the recoverability and classification of recorded assets or the amounts and classification of liabilities that may be necessary should the Company no longer continue as a going concern.



Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2010 required by the Bureau of Internal Revenue on taxes, duties and license fees disclosed in Note 13 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with Philippine Financial Reporting Standards. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PUNONGBAYAN & ARAULLO



By: Nelson J. Dinio
Partner

CPA Reg. No. 0097048

TIN 201-771-632

PTR No. 2641864, January 3, 2011, Makati City

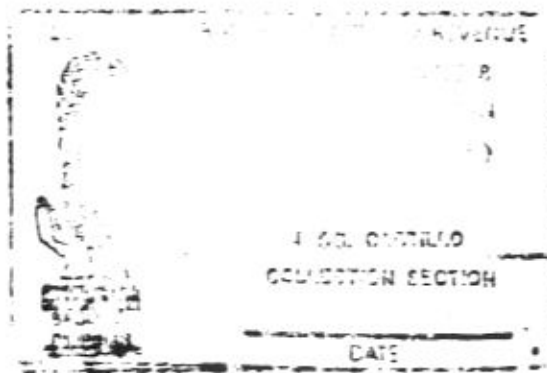
Partner's SEC Accreditation No. 1036-A (until Sept. 29, 2013)

BIR AN 08-002511-32-2011 (until Feb. 3, 2014)

Firm's BOA/PRC Cert. of Reg. No. 0002 (until Dec. 31, 2012)

Firm's SEC Accreditation No. 0002-FR-2 (until Feb. 1, 2012)

March 16, 2011

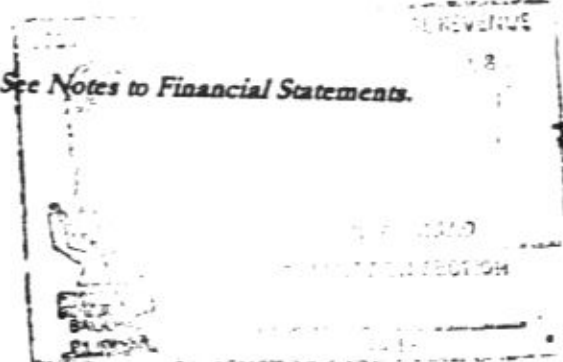


ZEUS HOLDINGS, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2010 AND 2009
(Amounts in Philippine Pesos)



	Notes	2010	2009
<u>ASSETS</u>			
CURRENT ASSETS			
Cash		P 67,364	P 463,958
Input value-added tax	13	<u>346,327</u>	<u>287,054</u>
TOTAL ASSETS		<u>P 413,691</u>	<u>P 751,012</u>
<u>LIABILITIES AND EQUITY (CAPITAL DEFICIENCY)</u>			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	4	P 701,722	P 683,840
Due to a related party	5	<u>20,109</u>	<u>12,289</u>
Total Current Liabilities		<u>721,831</u>	<u>696,129</u>
EQUITY (CAPITAL DEFICIENCY)			
Capital stock		2,733,463,907	2,733,463,907
Additional paid-in capital		33,393,941	33,393,941
Deposits for future stock subscriptions	5	3,580,900	3,280,900
Deficit		(<u>2,770,746,888</u>)	(<u>2,770,083,865</u>)
Total Equity (Capital Deficiency)		(<u>308,140</u>)	<u>54,883</u>
TOTAL LIABILITIES AND EQUITY (CAPITAL DEFICIENCY)		<u>P 413,691</u>	<u>P 751,012</u>

See Notes to Financial Statements.

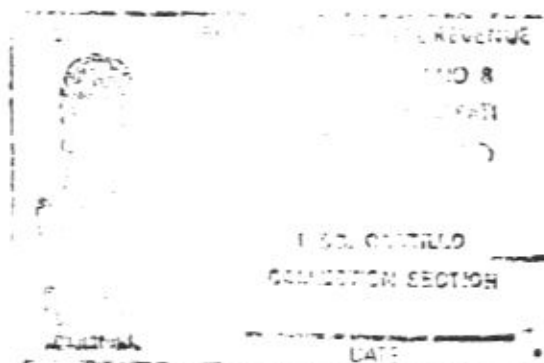


ZEUS HOLDINGS, INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009, AND 2008*
(Amounts in Philippine Pesos)

	Notes	2010	2009	2008
OPERATING EXPENSES				
Taxes and licenses	13	P 263,600	P 263,700	P 264,215
Professional fees		204,000	174,000	199,000
Photocopying and reproduction		84,978	82,329	81,833
Contracted services		46,412	35,340	37,391
Advertising and promotions		12,294	12,294	11,880
Trainings and seminars		900	9,000	34,200
Other operating expenses		<u>50,839</u>	<u>44,887</u>	<u>35,803</u>
NET LOSS FOR THE YEAR		663,023	621,550	664,322
OTHER COMPREHENSIVE INCOME				
		<u>-</u>	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>P 663,023</u>	<u>P 621,550</u>	<u>P 664,322</u>
Loss Per Share	7	<u>P 0.00024</u>	<u>P 0.00023</u>	<u>P 0.00024</u>

See Notes to Financial Statements.

* The Company was incorporated on December 17, 1981 and has not yet started commercial operations.

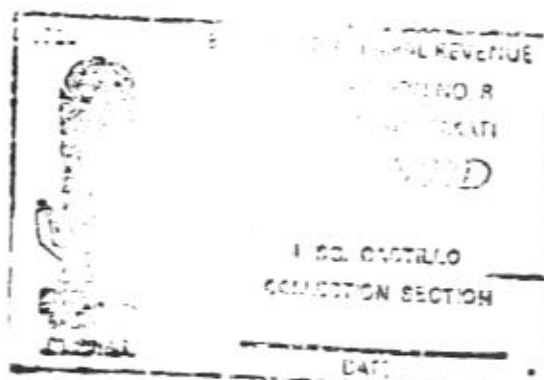


ZEUS HOLDINGS, INC.
STATEMENTS OF CHANGES IN EQUITY (CAPITAL DEFICIENCY)
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009, AND 2008*
(Amounts in Philippine Pesos)

	Note	2010	2009	2008
CAPITAL STOCK - P1 par value				
Authorized - 3,000,000,000 shares				
Issued and outstanding - 2,733,463,907 shares		P 2,733,463,907	P 2,733,463,907	P 2,733,463,907
ADDITIONAL PAID-IN CAPITAL		<u>33,393,941</u>	<u>33,393,941</u>	<u>33,393,941</u>
DEPOSITS FOR FUTURE STOCK SUBSCRIPTIONS	5			
Balance at beginning of year		3,280,900	2,930,900	-
Advances converted to deposits for future stock subscription		-	-	2,240,600
Cash infusion during the year for future stock subscription		<u>300,000</u>	<u>350,000</u>	<u>690,300</u>
Balance at end of year		<u>3,580,900</u>	<u>3,280,900</u>	<u>2,930,900</u>
DEFICIT				
Balance at beginning of year		(2,770,083,865)	(2,769,462,315)	(2,768,797,991)
Net loss for the year		<u>(663,023)</u>	<u>(621,550)</u>	<u>(664,322)</u>
Balance at end of year		<u>(2,770,746,888)</u>	<u>(2,770,083,865)</u>	<u>(2,769,462,315)</u>
TOTAL EQUITY (CAPITAL DEFICIENCY)		<u>(P 308,140)</u>	<u>P 54,883</u>	<u>P 326,433</u>

See Notes to Financial Statements.

* The Company was incorporated on December 17, 1981 and has not yet started commercial operations.



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ZEUS HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2010, 2009, AND 2008*
(Amounts in Philippine Pesos)

	Note	2010	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss representing operating loss				
before working capital changes		(P 663,023)	(P 621,550)	(P 664,322)
Increase in input value-added tax		(99,273)	(54,858)	(57,922)
Increase in accounts payable and accrued expenses		<u>17,882</u>	<u>1,324</u>	<u>14,384</u>
Net Cash Used in Operating Activities		(<u>704,414</u>)	(<u>675,084</u>)	(<u>707,860</u>)
CASH FLOWS FROM FINANCING ACTIVITIES				
Additional amounts due to a related party	\$	7,820	12,289	760,000
Payment of advances from related parties	\$	-	-	(93,056)
Deposits for future stock subscriptions received	\$	<u>300,000</u>	<u>350,000</u>	<u>690,300</u>
Net Cash From Financing Activities		<u>307,820</u>	<u>362,289</u>	<u>1,357,244</u>
NET INCREASE (DECREASE) IN CASH		(<u>396,594</u>)	(<u>312,795</u>)	<u>649,384</u>
CASH AT BEGINNING OF YEAR		<u>463,958</u>	<u>776,753</u>	<u>127,369</u>
CASH AT END OF YEAR		<u>P 67,364</u>	<u>P 463,958</u>	<u>P 776,753</u>

Supplemental Information on Noncash Financing Activity

On September 30, 2008, the Company's Board of Directors approved the conversion of advances from various stockholders amounting to P2,240,000 to Deposits for Future Stock Subscriptions (see Note 5).

See Notes to Financial Statements.

* The Company was incorporated on December 17, 1981 and has not yet started commercial operations.



APR 06 2011

ZEUS HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010, 2009 AND 2008
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION AND STATUS OF OPERATIONS

1.1 Corporate Information

Zeus Holdings, Inc. (the Company) was incorporated in the Philippines on December 17, 1981 to engage in the purchase and sale of investments. As of December 31, 2010, the Company has not yet started its commercial operations.

Prior to June 2007, ZHI Holdings, Inc. (ZHIHI) had 98% ownership interest in the Company. In June 2007, ZHIHI sold 93.5% of its shareholdings in the Company to various investors, thereby reducing its equity ownership to 4.5%. In 2009, ZHIHI also sold a portion of its remaining shareholdings to the Company, further reducing its equity ownership to 3.45%. At present, the largest stockholder of the Company is Zamcore Realty & Development Corporation which holds a 34% ownership interest in the Company.

The shares of the Company are traded at the Philippine Stock Exchange (PSE).

The registered office of the Company, which is also its principal place of business, is located at the 20th Floor, LKG Tower, 6801 Ayala Avenue, Makati City.

The finance and administrative affairs of the Company are being handled by a related party under common ownership.

The financial statements of the Company for the year ended December 31, 2010 (including the comparatives for the years ended December 31, 2009 and 2008) were authorized for issue by the Company's Board of Directors (BOD) on March 16, 2011.

1.2 Status of Operations

The Company incurred net losses of P663,023 in 2010, P621,550 in 2009 and P664,322 in 2008. For the current year and the last few years, the Company has not undertaken in any investing or operating activity.

The Company's continuous incurrence of net losses which resulted in a deficit in the current and prior years raised substantial doubt about its ability to continue as a going concern. However, with the change in the ownership of the Company in 2007, the Company has continued to evaluate possible business opportunities to revitalize its operations. On September 28, 2007 and November 28, 2007, the BOD and the stockholders, respectively, approved a proposed business plan involving the contemplated shift in the Company's primary purpose from an investment holding company to a mining entity.

On July 13, 2009, the Company entered into an operating agreement with Olympic International Sales Corporation (Olympic) which allows the Company to explore and, if warranted, develop Olympic's mining claims in the province of Surigao del Sur. As of December 31, 2009, the mining claims are the subject of an Application for Production Sharing Agreement (APSA) filed by Olympic with the Mines and Geosciences Bureau (MGB). As of December 31, 2010, the APSA has not yet been approved by the MGB. The Company can only operate the mining claims upon the approval of the APSA and issuance of the Mineral Production Sharing Agreement (MPSA) by the Department of Environment and Natural Resources (DENR). The operating agreement shall take effect for a period of 25 years from the date of issuance of MPSA (see also Note 10). As of December 31, 2010, the MPSA has not yet been issued by DENR while the approval of the APSA is still pending with the MGB.

The financial statements have been prepared assuming that the Company will continue as a going concern which contemplates the realization of its assets and satisfaction of its liabilities in the normal course of business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. The policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards (PFRS)

The financial statements of the Company have been prepared in accordance with PFRS. PFRS are adopted by the Financial Reporting Standards Council (FRSC) from the pronouncements issued by the International Accounting Standards Board.

The financial statements have been prepared on the historical cost basis. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Financial Statements

The financial statements are presented in accordance with Philippine Accounting Standards (PAS) 1 (Revised 2007), *Presentation of Financial Statements*. The Company presents all items of income and expenses in a single statement of comprehensive income. Two comparative periods are presented for the statement of financial position when the Company applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or reclassifies items in the financial statements.

The Company's adoption of PAS 1 (Revised 2007) did not result in any material adjustment in its financial statements as the change in accounting policy only affects presentation aspects.

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(c) *Functional and Presentation Currency*

These financial statements are presented in Philippine pesos, the Company's functional currency, and all values represent absolute amounts except when otherwise indicated (see Note 3).

2.2 Adoption of New Interpretations, Revisions and Amendments to PFRS

(a) *Effective in 2010 that are Relevant to the Company*

In 2010, there are new PFRS, revisions, amendments, annual improvements and interpretations to existing standards. Among those pronouncements, management determined that the 2009 *Annual Improvements to PFRS*, which the Company will apply in accordance with their transitional provisions, to be relevant to its financial statements but which did not also have any material impact on its financial statements. Most of these amendments became effective for annual periods beginning on or after July 1, 2009 or January 1, 2010. Among those improvements, only the following amendments were identified to be relevant to the Company's financial statements:

PAS 1 (Amendment)	:	Presentation of Financial Statements
PAS 7 (Amendment)	:	Statement of Cash Flows
PAS 17 (Amendment)	:	Leases
PAS 18 (Amendment)	:	Revenue

Below is a discussion of the possible impact of these accounting amendments.

- PAS 1 (Amendment), *Presentation of Financial Statements* (effective from January 1, 2010). The amendment clarifies the current and non-current classification of a liability that can, at the option of the counterparty, be settled by the issue of the entity's equity instruments. The Company has determined that the amendment has no material impact on the 2010 financial statements.
- PAS 7 (Amendment), *Statement of Cash Flows* (effective from January 1, 2010). This amendment states explicitly that only an expenditure that results in a recognized asset can be classified as a cash flow from investing activities. The amendment did not result to material impact in the financial statements since only recognized assets are classified by the Company as cash flow from investing activities.
- PAS 17 (Amendment), *Leases* (effective from January 1, 2010). The amendment clarifies that when a lease includes both land and building elements, an entity assesses the classification of each element as finance or an operating lease separately in accordance with the general guidance on lease classification set out in PAS 17.
- PAS 18 (Amendment), *Revenue* (effective from January 1, 2010). The amendment provides guidance on determining whether an entity is acting as a principal or as an agent. Presently, the Company is the principal in all of its business undertakings.

(b) *Effective in 2010 but not Relevant to the Company*

The following amendments, interpretations and improvements to published standards are mandatory for accounting periods beginning on or after January 1, 2010 but are not relevant to the Company's operations:

PAS 27 (Revised 2008)	:	Consolidated and Separate Financial Statements
PAS 32 (Amendment)	:	Amendment to PAS 32: Classification of Rights Issues
PAS 39 (Amendment)	:	Financial Instruments: Recognition and Measurement – Eligible Hedged Items
PFRS 1 (Amendment)	:	Additional Exemptions for First-time Adopters
PFRS 2 (Amendment)	:	Company Cash-settled Share-based Payment Transactions
PFRS 3 (Revised 2008)	:	Business Combinations
Philippine Interpretations		
International Financial Reporting Interpretations Committee (IFRIC) 9		
	:	Embedded Derivatives – Amendments to IFRIC 9 and PAS 39
IFRIC 17	:	Distribution of Non-cash Assets to Owners
IFRIC 18	:	Transfers of Assets from Customers

(c) *Effective Subsequent to 2010*

There are new PFRS, revisions, amendments, annual improvements and interpretations to existing standards that are effective for periods subsequent to 2010. Management has initially determined that PAS 24 (Amendment), *Related Party Disclosures*, will be relevant to its financial statements. The revised standard introduces an exemption from the disclosure requirements of PAS 24 for transactions with: (a) a government that has control, joint control or significant influence over the reporting entity, and (b) government-related entities (entities controlled, jointly controlled or significantly influenced by the same government). Management assessed that the adoption of the revised PAS 24 will not have a significant effect on the Company's financial statements.

2.3 Financial Assets

Financial assets are recognized when the Company becomes a party to the contractual terms of the financial instrument. Financial assets other than those designated and effective as hedging instruments are classified into the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the investments were acquired.

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Regular purchases and sales of financial assets are recognized on their trade date. All financial assets that are not classified as at fair value through profit or loss are initially recognized at fair value plus any directly attributable transaction costs. Financial assets carried at fair value through profit or loss are initially recorded at fair value and transaction costs related to it are recognized in profit or loss.

The financial asset category that is currently relevant to the Company is Loans and Receivables (presented as Cash in the statement of financial position). Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are subsequently measured at amortized cost using the effective interest method, less impairment losses, except when they are due within one year in which case, they are measured at their nominal values. Impairment loss is provided when there is an objective evidence that the Company will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the asset's carrying amount and the present value of estimated cash flows.

Non-compounding interest and other cash flows resulting from holding financial assets are recognized in profit or loss when received, regardless of how the related carrying amount of financial assets is measured.

Derecognition of financial assets occurs when the rights to receive cash flows from the financial instruments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

2.4 Impairment of Non-financial Assets

The carrying value of input value-added tax (VAT) is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

An impairment loss is recognized for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment loss is charged pro rata to the other assets in the cash-generating unit.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist and the carrying amount of the asset is adjusted to the recoverable amount resulting in the reversal of the impairment loss.

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2.5 Financial Liabilities

Financial liabilities include Accounts payable and accrued expenses and Due to a related party.

Financial liabilities are recognized when the Company becomes a party to the contractual agreements of the instrument. All interest and related charges, if any, is recognized as an expense in the statement of comprehensive income.

Accounts payable and accrued expenses and Due to a related party are recognized initially at their fair value and subsequently measured at amortized cost.

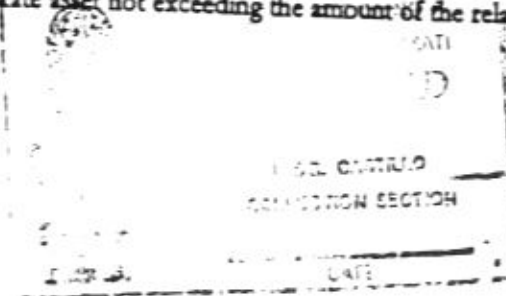
Financial liabilities are derecognized from the statement of financial position only when the obligations are extinguished either through discharge, cancellation, or expiration.

2.6 Provisions

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, where time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessments and the risks specific to the obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements. On the other hand, any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.



2.7 Expense Recognition

Expenses are recognized in profit or loss upon receipt of goods and utilization of services or at the date they are incurred.

2.8 Income Taxes

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in profit or loss.

Deferred tax is provided, using the liability method, on temporary differences at the end of the reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Under the liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carryforward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deferred tax asset can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in profit or loss. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that are charged in other comprehensive income or directly to equity are recognized in other comprehensive income or directly to equity.

2.9 Related Party Transactions

Related party transactions are transfers of resources, services or obligations between the Company and its related parties, regardless whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

2.10 Equity (Capital Deficiency)

Capital stock represents the nominal value of shares that have been issued.

Additional paid-in capital includes any premiums received on the initial issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits.

Deposits for future stock subscriptions are recorded based on the advances from stockholders to be converted to equity and additional cash infusion from stockholders.

Deficit includes all current and prior period results as reported in profit or loss in the statements of comprehensive income.

2.11 Loss Per Share

Loss per share is determined by dividing net loss by the weighted average number of issued and outstanding shares during the year.

The Company has no potentially dilutive shares, hence, no information on dilutive earnings per share is presented.

3. **SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The Company's financial statements prepared in accordance with PFRS require management to make judgments and estimates that affect amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements:

(a) Functional and Presentation Currency

The Company has determined that its functional currency is the Philippine pesos, which is the currency of the primary economic environment in which the entity operates.

(b) Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provision and contingencies are discussed in Note 2.6, and the relevant disclosure is presented in Note 9.

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(c) Impairment of Non-financial Assets

PFRS requires that an impairment review be performed when certain impairment indicators are present. The Company's policy on estimating the impairment of non-financial assets, specifically its input VAT, is discussed in detail in Note 2.4. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Based on management's assessment, input VAT is fully recoverable; hence, no impairment loss was recognized in 2010, 2009 and 2008.

4. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

The composition of this account as of December 31 is shown below:

	<u>2010</u>		<u>2009</u>
Accounts payable	P 581,722	P	593,840
Accrued professional fees	<u>120,000</u>		<u>90,000</u>
	<u>P 701,722</u>	P	<u>683,840</u>

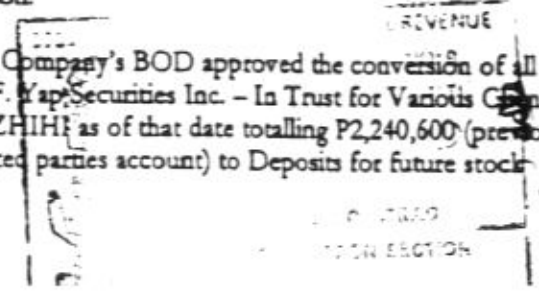
The fair values of Accounts Payable and Accrued Professional Fees accounts have not been disclosed as, due to their short duration, management considers the carrying amounts recognized in the statements of financial position to be a reasonable approximation of their fair values.

5. RELATED PARTY TRANSACTIONS

5.1 Advances from Shareholders and a Related Party

The Company is charged by Prime Orion Philippines, Inc. (POPI), a related party under common ownership, for the Company's share in various types of expenses commonly incurred at the office. Total charges to the Company in 2010, 2009 and 2008, amounted to P7,820, P7,554 and P38,445, respectively. The outstanding payables arising from this transaction as of December 31, 2010 and 2009, amounted to P20,109 and P12,289, respectively, and is shown as Due to a related party in the statements of financial position.

On September 30, 2008, the Company's BOD approved the conversion of all of its outstanding advances from F. Yap Securities Inc. - In Trust for Various Clients (FYSI), a stockholder, and ZHIHI as of that date totalling P2,240,600 (previously presented under Due to related parties account) to Deposits for future stock subscriptions.



In addition, on May 18, 2010, December 18, 2009 and November 26, 2008, the Company's BOD authorized the acceptance of additional cash infusions for future stock subscriptions amounting to P300,000, P350,000 and P690,300, respectively, from FYSI. These additional cash infusions were subsequently received by the Company in May 2010, December 2009 and December 2008, respectively.

The converted amount of advances from FYSI and ZHIHI and the additional cash infusions made by FYSI totaling P300,000 in 2010, P350,000 in 2009 and P2,930,900 in 2008, are shown as part of Deposits for future stock subscriptions in the statements of financial position. As of December 31, 2010, the Company has not yet filed the application for the conversion of the Deposits for future stock subscriptions to Capital stock with the Securities and Exchange Commission (SEC).

5.2 Key Management Personnel Compensation

In 2010, 2009 and 2008, there were no expenses recognized for employee benefits since the Company's finance and administrative activities are being handled by a related party under common ownership (see Note 1.1).

6. INCOME TAXES

The Company is in tax loss position in 2010 and previous years. Accordingly, the Company has accumulated net operating loss carryover (NOLCO) which can be claimed as deduction from future taxable income within three years from the year the NOLCO was incurred.

The details of the Company's NOLCO as of December 31, 2010 and their respective availment periods are presented below:

<u>Year</u>	<u>Original Balance</u>	<u>Expired Balance</u>	<u>Remaining Balance</u>	<u>Valid Until</u>
2010	P 663,023	P -	P 663,023	2013
2009	621,550	-	621,550	2012
2008	664,197	-	664,197	2011
2007	<u>647,935</u>	<u>647,935</u>	-	2010
	<u>P 2,596,705</u>	<u>P 647,935</u>	<u>P 1,948,770</u>	

Management has assessed that the Company may not have enough future taxable income to enable it to utilize the benefits of the NOLCO within the prescribed periods. Hence, the related deferred tax assets amounting to P584,631 and P580,105 as of December 31, 2010 and 2009, respectively, have not been recognized in the financial statements.

For the years ended December 31, 2010, 2009, and 2008, the Company did not have minimum corporate income tax (equivalent to 2% of gross income, net of allowable deductions, as defined in the tax regulations) since the Company has no income in those years.



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BUREAU OF INTERNAL REVENUE
SECTION

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7. LOSS PER SHARE

The basic loss per share is computed as follows:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net loss	P 663,023	P 621,550	P 664,322
Divided by the weighted average number of issued and outstanding shares	<u>2,733,643.907</u>	<u>2,733,463.907</u>	<u>2,733,463.907</u>
Loss per share	<u>P 0.00024</u>	<u>P 0.00023</u>	<u>P 0.00024</u>

Diluted earnings per share were not determined since the Company does not have potential dilutive common shares in 2010, 2009 and 2008.

8. EVENTS AFTER THE REPORTING PERIOD

On January 10, 2011, the Company's BOD authorized the acceptance of additional cash infusion for future stock subscriptions amounting to P280,000 from FYSL. As of March 16, 2011, the Company has not yet filed an application for the conversion of the Deposits for future stock subscriptions into capital stock with the SEC.

9. CONTINGENCY

As of December 31, 2010, there are pending claims and legal actions by third parties against or involving the Company, which are being contested by the Company through its legal counsel. No provision for contingency was recognized in the financial statements since the ultimate outcome of these claims cannot presently be determined. In addition, the Company's management believes that their impact on the financial statements, taken as a whole, will not be material.



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10. OPERATING AGREEMENT WITH OLYMPIC

Pursuant to the operating agreement with Olympic as mentioned in Note 1, which shall take effect for a period of 25 years from the date of issuance of MPSA, the Company, in consideration of the agreement, shall pay Olympic in the form of royalties in an amount equivalent to 3% of the Net Smelter Return on metal sales. Moreover, as additional consideration for Olympic's appointment of the Company as operator of the mining claims, the Company has entered into an additional agreement with Olympic for the issuance of the Company's shares of stock from its unissued capital in favor of Olympic in accordance with the following provisions:

- (a) Ten million (10,000,000) common shares shall be issued to Olympic within one month from the issuance of the MPSA;
- (b) Olympic shall have the option to subscribe at par, subject to applicable laws, to additional ten million (10,000,000) common shares within one year from the issuance of the MPSA; and
- (c) Olympic shall have the option to subscribe at par, subject to applicable laws, to one hundred million (100,000,000) common shares within five years from the issuance of the MPSA.

The above-mentioned agreements were unanimously passed and approved by the Company's BOD during a special meeting held on July 13, 2009 and ratified by the Company's stockholders representing 83.27% of the outstanding capital stock of the Company during the annual meeting of the stockholders held on November 5, 2009.

The Company can only operate the mining claims upon the approval of the APSA and issuance of the Mineral Production Sharing Agreement (MPSA) by the DENR. As of December 31, 2010, the MPSA has not yet been issued by DENR.

11. RISK MANAGEMENT OBJECTIVES AND POLICIES

As of December 31, 2010, the Company is not exposed to any financial risks as it has no significant financial instruments.

11.1 Credit Risk Analysis

The Company's exposure to credit risk is limited to the amount of Cash as shown on the face of the statements of financial position. However, the credit risk for cash is considered negligible since the counterparty is a reputable bank with high quality external credit ratings.

11.2 Liquidity Risk

Liquidity risk arises from the possibility that the Company may encounter difficulties in raising funds to meet commitments from financial instruments.

The Company's objectives to manage its liquidity profile are: (a) to ensure that adequate funding is available at all times; (b) to meet commitments as they arise without incurring unnecessary costs; and (c) to be able to access funding when needed at the least possible cost. Funding for expenditures are advanced by the stockholders of the Company.

As of December 31, 2010 and 2009, the Company's maximum liquidity risk is the carrying amount of Accounts payable and accrued expenses, which is shown under the current liabilities section in the statements of financial position.

12. **CAPITAL MANAGEMENT OBJECTIVE, POLICIES AND PROCEDURES**

The Company's capital management objective is to ensure the Company's ability to continue as a going concern. As indicated in Note 1, the Company's management continues to assess possible investment opportunities and various options regarding operations that it may take in the future. The Company monitors capital on the basis of the carrying amount of equity (capital deficiency) as presented on the face of the statements of financial position.

To support its business plan, the Company has converted advances from related parties to deposits for future stock subscription and has received additional cash infusions which the Company intends to convert subsequently into capital stock.

13. **SUPPLEMENTARY INFORMATION REQUIRED UNDER REVENUE REGULATIONS NO. 15-2010**

On November 25, 2010, the Bureau of Internal Revenue (BIR) issued Revenue Regulations (RR) No. 15-2010, which requires certain information on taxes, duties and license fees paid or accrued during the taxable year to be disclosed as part of the notes to financial statements. This supplemental information, which is an addition to the disclosures mandated under PFRS, is presented as follows:

13.1 Output VAT

The Company has no output VAT in 2010 as the Company has not yet started its commercial operations as of December 31, 2010.

13.2 Input VAT

The movements in Input VAT are summarized below.

Balance at beginning of year	P	287,054
Services lodged under other accounts		59,273
Balance at end of year	P	346,327

13.3 Taxes on Importation

There are no importations during the year.

13.4 Excise Tax

The Company does not have excise tax in 2010 since it does not have any transactions which are subject to excise tax.

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DATE
F. DEL CASTILLO
COMMISSION SECTION
DATE

APR 06 2011

13.5 Documentary Stamp Tax

The Company did not incur any documentary stamp taxes in 2010 as it did not execute any documents, instruments, loan agreements and paper evidencing the acceptance, assignment, sale or transfer of an obligation, and any right or property hereunto during the year.

13.6 Taxes and Licenses

The details of Taxes and Licenses account for the year ended December 31, 2010 are as follows:

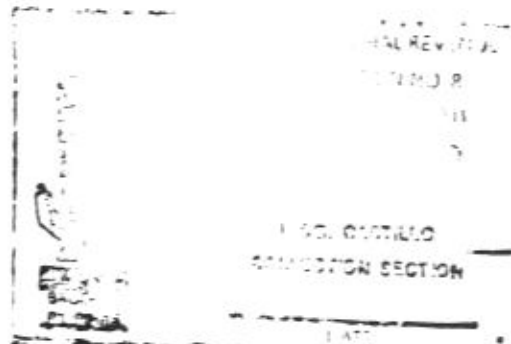
PSE listing fee	P 250,000
Business tax	11,600
Residence tax	500
Annual registration	500
Miscellaneous	<u>1,000</u>
	<u>P 263,600</u>

13.7 Withholding Taxes

The tax withheld and remitted for the year ended December 31, 2010 amounted to P14,511, which only pertains to expanded withholding tax.

13.8 Deficiency Tax Assessment and Tax Cases

The Company does not have any final deficiency tax assessments with the BIR or tax cases outstanding or pending in courts or bodies outside of the BIR in any of the open years.



MAY 06 2011



Report of Independent Certified Public Accountants to Accompany SEC Schedules Filed Separately from the Basic Financial Statements

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The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

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www.punongbayan-araullo.com

**The Board of Directors and Stockholders
Zeus Holdings, Inc.**
20th Floor, LKG Tower
6801 Ayala Avenue
Makati City

We have audited the financial statements of Zeus Holdings, Inc. as of and for the year ended December 31, 2010, on which we have rendered our report dated March 16, 2011. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The applicable supplementary schedules (see table of contents) of the Company as at December 31, 2010 and for the year then ended, required by the Securities and Exchange Commission, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in such supplementary schedules has been subjected to the auditing procedures applied in audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Our report dated March 16, 2011 on the basic financial statements includes an Emphasis of Matter paragraph that refers to a disclosure in the notes to the financial statements on the uncertainties relating to the ability of the Company to continue as a going concern. The financial statements, as well as the supplementary schedules mentioned in previous page, do not include any adjustments on the recoverability and classification of the assets or the amounts and classification of the liabilities arising from such uncertainties.

PUNONGBAYAN & ARAULLO



By: **Nelson J. Dinio**
Partner

CPA Reg. No. 0097048
TIN 201-771-632
PTR No. 2641864, January 3, 2011, Makati City
Partner's SEC Accreditation No. 1036-A (until Sept. 29, 2013)
BIR AN 08-002511-32-2011 (until Feb. 3, 2014)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Dec. 31, 2012)
Firm's SEC Accreditation No. 0002-FR-2 (until Feb. 1, 2012)

March 16, 2011

Zeus Holdings, Inc.
SEC Supplementary Schedule
December 31, 2010

Table of Contents

<i>Schedule</i>	<i>Description</i>	<i>Page</i>
A	Marketable Securities - (Current Marketable Equity Securities and Other Short-Term Cash Investments)	<u>N/A</u>
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Affiliates)	<u>N/A</u>
C	Noncurrent Marketable Equity Securities, Other Long-Term Investments in Stock and Other Investments	<u>N/A</u>
D	Indebtedness of Unconsolidated Subsidiaries and Affiliates	<u>N/A</u>
E	Intangible Assets - Other Assets	<u>N/A</u>
F	Long-Term Debt	<u>N/A</u>
G	Indebtedness to Affiliates and Related Parties (Long-Term Loans from Related Companies)	<u>1</u>
H	Guarantees of Securities of Other Issuers	<u>N/A</u>
I	Capital Stock	<u>2</u>

Zeus Holdings, Inc.
Schedule G. Indebtedness to Related Parties (Long-Term Loans from Related Companies)
December 31, 2010

<i>Name of related party</i>	<i>Balance at beginning of period</i>	<i>Balance at end of period</i>
Prime Orion Philippines, Inc.	P <u>12,289</u>	<u>20,109</u>
	<u>P 12,289</u>	<u>P 20,109</u>

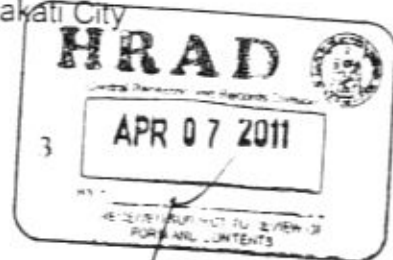
Zeus Holdings, Inc.
Schedule I - Capital Stock
December 31, 2010

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under the 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 - P1 par value
Authorized - 3,000,000,000 shares
2,733,463,907 shares issued
and outstanding

3,000,000,000
2,733,463,907
-
929,377,728
-
1,804,086,179

ZEUS HOLDINGS, INC.
20th Floor LKG Tower, 680 Ayala Avenue, Makati City

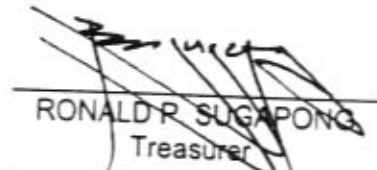


CERTIFICATION

I, Ronald P. Sugapong, of legal age, Filipino and with office address at 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City, after being sworn in accordance with law, hereby certify that:

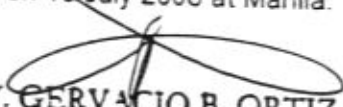
1. I am the Treasurer of Zeus Holdings, Inc., a corporation duly and existing under and by virtue of the laws of the Republic of the Philippines under SEC Certificate of Registration No. 102415 with principal office address at 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City.
2. The Special Form for Financial Statements of Publicly Held and Investment Companies diskette submitted herein has the basic and material data in the audited financial statements.
3. I am executing this certification to attest to the truth of the foregoing and in compliance with the reportorial requirements of the Securities and Exchange Commission.

Done this 6th day of April, 2011 in Makati City.


RONALD P. SUGAPONG
Treasurer

Subscribed and sworn to before me this APR 06 2011 day of April, 2011, affiant exhibiting to me his Passport No. XX1614462 issued on 15 July 2008 at Manila.

Doc. No. 317
Page No. 65
Book No. XII
Series of 2011.


ATTY. GERVACIO B. ORTIZ JR.
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2011
ROLL OF ATTORNEY 40091
MCLE COMPLIANCE NO. III-0014282
IBP NO. 656155 - LIFETIME MEMBER
PTR NO. 2641658 JAN. 3, 2011 MAKATI CITY

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.
 CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City
 TEL NO.: 884-1106 FAX NO.: 884-1409
 COMPANY TYPE: Other Business Activities

If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA		2010	2009
A. ASSETS (A.1 + A.2 + A.3 + A.4 + A.5 + A.6 + A.7 + A.8 + A.9 + A.10)		474	751
A.1 Current Assets (A.1.1 + A.1.2 + A.1.3 + A.1.4 + A.1.5)		67	464
A.1.1 Cash and cash equivalents (A.1.1.1 + A.1.1.2 + A.1.1.3)		67	464
A.1.1.1 On hand			
A.1.1.2 In domestic banks/entities			
A.1.1.3 In foreign banks/entities		67	464
A.1.2 Trade and Other Receivables (A.1.2.1 + A.1.2.2)			
A.1.2.1 Due from domestic entities (A.1.2.1.1 + A.1.2.1.2 + A.1.2.1.3 + A.1.2.1.4)			
A.1.2.1.1 Due from customers (trade)			
A.1.2.1.2 Due from related parties			
A.1.2.1.3 Others, specify (A.1.2.1.3.1 + A.1.2.1.3.2)			
A.1.2.1.3.1			
A.1.2.1.3.2			
A.1.2.1.4 Allowance for doubtful accounts (negative entry)			
A.1.2.2 Due from foreign entities, specify (A.1.2.2.1 + A.1.2.2.2 + A.1.2.2.3 + A.1.2.2.4)			
A.1.2.2.1			
A.1.2.2.2			
A.1.2.2.3			
A.1.2.2.4 Allowance for doubtful accounts (negative entry)			
A.1.3 Inventories (A.1.3.1 + A.1.3.2 + A.1.3.3 + A.1.3.4 + A.1.3.5 + A.1.3.6)			
A.1.3.1 Raw materials and supplies			
A.1.3.2 Goods in process (including unfinished goods, growing crops, unfinished seeds)			
A.1.3.3 Finished goods			
A.1.3.4 Merchandise/Goods in transit			
A.1.3.5 Unbilled Services (in case of service providers)			
A.1.3.6 Others, specify (A.1.3.6.1 + A.1.3.6.2)			
A.1.3.6.1			
A.1.3.6.2			
A.1.4 Financial Assets other than Cash/Receivables/Equity investments (A.1.4.1 + A.1.4.2 + A.1.4.3 + A.1.4.4 + A.1.4.5 + A.1.4.6)			
A.1.4.1 Financial Assets at Fair Value through Profit or Loss - issued by domestic entities: (A.1.4.1.1 + A.1.4.1.2 + A.1.4.1.3 + A.1.4.1.4 + A.1.4.1.5)			
A.1.4.1.1 National Government			
A.1.4.1.2 Public Financial Institutions			
A.1.4.1.3 Public Non-Financial Institutions			
A.1.4.1.4 Private Financial Institutions			
A.1.4.1.5 Private Non-Financial Institutions			
A.1.4.2 Held to Maturity Investments - issued by domestic entities: (A.1.4.2.1 + A.1.4.2.2 + A.1.4.2.3 + A.1.4.2.4 + A.1.4.2.5)			
A.1.4.2.1 National Government			
A.1.4.2.2 Public Financial Institutions			
A.1.4.2.3 Public Non-Financial Institutions			
A.1.4.2.4 Private Financial Institutions			
A.1.4.2.5 Private Non-Financial Institutions			

NOTE

This special form is applicable to Investment Companies and Publicly-held Companies (enumerated in Section 17.2 of the Securities Regulation Code (SRC), except banks and insurance companies). As a supplemental form to PHFS, it shall be used for reporting Consolidated Financial Statements of Parent corporations and their subsidiaries.

Domestic corporations are those which are incorporated under Philippine laws or branches/subsidiaries of foreign corporations that are licensed to do business in the Philippines where the center of economic interest or activity is within the Philippines. On the other hand, foreign corporations are those that are incorporated abroad, including branches of Philippine corporations operating abroad.

Financial Institutions are corporations principally engaged in financial intermediation, facilitating financial intermediation, or auxiliary financial services. Non-Financial institutions refer to corporations that are primarily engaged in the production of market goods and non-financial services.

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION:

ZEUS HOLDINGS, INC.

CURRENT ADDRESS:

20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL. NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE:

Other Business Activities

PSIC:

7499

If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA		2010 (in P'000)	2009 (in P'000)
A.1.4.3 Loans and Receivables - issued by domestic entities: (A.1.4.3.1 + A.1.4.3.2 + A.1.4.3.3 + A.1.4.3.4 + A.1.4.3.5)			-
A.1.4.3.1 National Government			-
A.1.4.3.2 Public Financial Institutions			-
A.1.4.3.3 Public Non-Financial Institutions			-
A.1.4.3.4 Private Financial Institutions			-
A.1.4.3.5 Private Non-Financial Institutions			-
A.1.4.4 Available-for-sale financial assets - issued by domestic entities: (A.1.4.4.1 + A.1.4.4.2 + A.1.4.4.3 + A.1.4.4.4 + A.1.4.4.5)			-
A.1.4.4.1 National Government			-
A.1.4.4.2 Public Financial Institutions			-
A.1.4.4.3 Public Non-Financial Institutions			-
A.1.4.4.4 Private Financial Institutions			-
A.1.4.4.5 Private Non-Financial Institutions			-
A.1.4.5 Financial Assets issued by foreign entities: (A.1.4.5.1 + A.1.4.5.2 + A.1.4.5.3 + A.1.4.5.4)			-
A.1.4.5.1 Financial Assets at fair value through profit or loss			-
A.1.4.5.2 Held-to-maturity investments			-
A.1.4.5.3 Loans and Receivables			-
A.1.4.5.4 Available-for-sale financial assets			-
A.1.4.6 Allowance for decline in market value (negative entry)			-
A.1.5 Other Current Assets (state separately material items) (A.1.5.1 + A.1.5.2 + A.1.5.3)		346	287
A.1.5.1 Prepaid insurance			-
A.1.5.2 Input tax		346	287
A.1.5.3			-
A.2 Property, plant, and equipment (A.2.1 + A.2.2 + A.2.3 + A.2.4 + A.2.5 + A.2.6 + A.2.7 + A.2.8)			-
A.2.1 Land			-
A.2.2 Building and improvements including leasehold improvement			-
A.2.3 Machinery and equipment (on hand and in transit)			-
A.2.4 Transportation/motor vehicles, automotive equipment, autos and trucks, and delivery equipment			-
A.2.5 Others, specify (A.2.5.1 + A.2.5.2 + A.2.5.3 + A.2.5.4 + A.2.5.5)			-
A.2.5.1			-
A.2.5.2			-
A.2.5.3			-
A.2.5.4			-
A.2.5.5			-
A.2.6 Appraisal increase, specify (A.2.6.1 + A.2.6.2 + A.2.6.3 + A.2.6.4 + A.2.6.5)			-
A.2.6.1			-
A.2.6.2			-
A.2.6.3			-
A.2.6.4			-
A.2.6.5			-
A.2.7 Accumulated Depreciation (negative entry)			-
A.2.8 Impairment Loss or Reversal (if loss, negative entry)			-
A.3 Investments accounted for using the equity method (A.3.1 + A.3.2 + A.3.3 + A.3.4)			-
A.3.1 Equity in domestic subsidiaries/affiliates			-
A.3.2 Equity in foreign branches/subsidiaries/affiliates			-
A.3.3 Others, specify (A.3.3.1 + A.3.3.2 + A.3.3.3 + A.3.3.4 + A.3.3.5)			-
A.3.3.1			-
A.3.3.2			-
A.3.3.3			-
A.3.3.4			-
A.3.3.5			-
A.4 Investment Property			-
A.5 Biological Assets			-
A.6 Intangible Assets			-
A.6.1 Major item/s, specify (A.6.1.1 + A.6.1.2)			-
A.6.1.1			-
A.6.1.2			-
A.6.2 Others, specify (A.6.2.1 + A.6.2.2)			-
A.6.2.1			-
A.6.2.2			-
A.7 Assets Classified as Held for Sale			-
A.8 Assets included in Disposal Groups Classified as Held for Sale			-

SPECIAL FORM FOR CONSOLIDATED FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.

CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE: Other Business Activities

PSIC: 7499

If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA	2010 (in P'000)	2009 (in P'000)
A.9 Long-term receivables (net of current portion) (A.9.1 + A.9.2 + A.9.3)		-
A.9.1 From domestic entities, specify (A.9.1.1 + A.9.1.2 + A.9.1.3)		-
A.9.1.1		-
A.9.1.2		-
A.9.1.3		-
A.9.2 From foreign entities, specify (A.9.2.1 + A.9.2.2 + A.9.2.3)		-
A.9.2.1		-
A.9.2.2		-
A.9.2.3		-
A.9.3 Allowance for doubtful accounts, net of current portion (negative entry)		-
A.10 Other Assets (A.10.1 + A.10.2 + A.10.3 + A.10.4 + A.10.5)		-
A.10.1 Deferred charges - net of amortization		-
A.10.2 Deferred Income Tax		-
A.10.3 Advance/Miscellaneous deposits		-
A.10.4 Others, specify (A.10.4.1 + A.10.4.2 + A.10.4.3 + A.10.4.4 + A.10.4.5)		-
A.10.4.1		-
A.10.4.2		-
A.10.4.3		-
A.10.4.4		-
A.10.4.5		-
A.10.5 Allowance for write-down of deferred charges/bad accounts (negative entry)		-
B. LIABILITIES (B.1 + B.2 + B.3 + B.4 + B.5)	722	696
B.1 Current Liabilities (B.1.1 + B.1.2 + B.1.3 + B.1.4 + B.1.5 + B.1.6 + B.1.7)	722	696
B.1.1 Trade and Other Payables to Domestic Entities	722	696
(B.1.1.1 + B.1.1.2 + B.1.1.3 + B.1.1.4 + B.1.1.5 + B.1.1.6)		
B.1.1.1 Loans/Notes Payables		-
B.1.1.2 Trade Payables	581	593
B.1.1.3 Payables to Related Parties	20	-
B.1.1.4 Advances from Directors, Officers, Employees and Principal Stockholders		-
B.1.1.5 Accruals, specify material items (B.1.1.5.1 + B.1.1.5.2 + B.1.1.5.3)	120	90
B.1.1.5.1 Audit fee	120	90
B.1.1.5.2		-
B.1.1.5.3		-
B.1.1.6 Others, specify (B.1.1.6.1 + B.1.1.6.2 + B.1.1.6.3)	1	13
B.1.1.6.1 Other accounts payable	1	13
B.1.1.6.2		-
B.1.1.6.3		-
B.1.2 Trade and Other Payables to Foreign Entities (specify) (B.1.2.1 + B.1.2.2 + B.1.2.3)		-
B.1.2.1		-
B.1.2.2		-
B.1.2.3		-
B.1.3 Provisions		-
B.1.4 Financial Liabilities (excluding Trade and Other Payables and Provisions)		-
(B.1.4.1 + B.1.4.2 + B.1.4.3 + B.1.4.4 + B.1.4.5)		
B.1.4.1		-
B.1.4.2		-
B.1.4.3		-
B.1.4.4		-
B.1.4.5		-
B.1.5 Liabilities for Current Tax		-
B.1.6 Deferred Tax Liabilities		-
B.1.7 Others, specify (If material, state separately; indicate if the item is payable to public/private or financial/non-financial institutions) (B.1.7.1 + B.1.7.2 + B.1.7.3 + B.1.7.4 + B.1.7.5 + B.1.7.6)		-
B.1.7.1 Dividends declared and not paid at balance sheet date		-
B.1.7.2 Acceptances Payable		-
B.1.7.3 Liabilities under Trust Receipts		-
B.1.7.4 Portion of Long-term Debt Due within one year		-
B.1.7.5 Deferred Income		-
B.1.7.6 Any other current liability in excess of 5% of Total Current Liabilities, specify		-
B.1.7.6.1		-
B.1.7.6.2		-
B.1.7.6.3		-

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.

CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL. NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE: Other Business Activities

PSIC: 7499

If these are based on consolidated financial statements, please so indicate in the caption.

Table 1. Balance Sheet

FINANCIAL DATA	2010 (in P'000)	2009 (in P'000)
B.2 Long-term Debt - Non-current Interest-bearing Liabilities (B.2.1 + B.2.2 + B.2.3 + B.2.4 + B.2.5)		-
B.2.1 Domestic Public Financial Institutions		-
B.2.2 Domestic Public Non-Financial Institutions		-
B.2.3 Domestic Private Financial Institutions		-
B.2.4 Domestic Private Non-Financial Institutions		-
B.2.5 Foreign Financial Institutions		-
B.3 Indebtedness to Affiliates and Related Parties (Non-Current)		-
B.4 Liabilities Included in the Disposal Groups Classified as Held for Sale		-
B.5 Other Liabilities (B.5.1 + B.5.2)		-
B.5.1 Deferred Tax		-
B.5.2 Others, specify (B.5.2.1 + B.5.2.2 + B.5.2.3 + B.5.2.4 + B.5.2.5)		-
B.5.2.1		-
B.5.2.2		-
B.5.2.3		-
B.5.2.4		-
B.5.2.5		-
C. EQUITY (C.3 + C.4 + C.5 + C.6 + C.7 + C.8 + C.9 + C.10)	(308)	55
C.1 Authorized Capital Stock (no. of shares, par value and total value; show details) (C.1.1 + C.1.2 + C.1.3)		
C.1.1 Common shares	3,000,000	3,000,000
C.1.2 Preferred Shares	-	-
C.1.3 Others	-	-
C.2 Subscribed Capital Stock (no. of shares, par value and total value) (C.2.1 + C.2.2 + C.2.3)		
C.2.1 Common shares		-
C.2.2 Preferred Shares		-
C.2.3 Others		-
C.3 Paid-up Capital Stock (C.3.1 + C.3.2)		
C.3.1 Common shares	2,733,464	2,733,464
C.3.2 Preferred Shares	2,733,464	2,733,464
C.4 Additional Paid-in Capital / Capital in excess of par value / Paid-in Surplus	33,394	33,394
C.5 Minority Interest		-
C.6 Others, specify (C.6.1 + C.6.2 + C.6.3)		
C.6.1 Deposit for future subscription	3,581	3,281
C.6.2	3,581	3,281
C.6.3		-
C.7 Appraisal Surplus/Revaluation Increment in Property/Revaluation Surplus		-
C.8 Retained Earnings (C.8.1 + C.8.2)		
C.8.1 Appropriated	(2,770,747)	(2,770,084)
C.8.2 Unappropriated		-
C.9 Head / Home Office Account (for Foreign Branches only)	(2,770,747)	(2,770,084)
C.10 Cost of Stocks Held in Treasury (negative entry)		-
TOTAL LIABILITIES AND EQUITY (B + C)	414	751

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.

CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE: Other Business Activities

PSIC: 7499

If these are based on consolidated financial statements, please so indicate in the caption.

Table 2. Income Statement

FINANCIAL DATA	2009 (in P'000)	2008 (in P'000)	2007 (in P'000)
A. REVENUE / INCOME (A.1 + A.2 + A.3 + A.4)	-	-	-
A.1 Net Sales or Revenue / Receipts from Operations (manufacturing, mining, utilities, trade, services, etc.) (from Primary Activity)	-	-	-
A.2 Share in the Profit or Loss of Associates and Joint Ventures accounted for	-	-	-
A.3 Other Revenue (A.3.1 + A.3.2 + A.3.3 + A.3.4 + A.3.5)	-	-	-
A.3.1 Rental Income from Land and Buildings	-	-	-
A.3.2 Receipts from Sale of Merchandise (trading) (from Secondary Activity)	-	-	-
A.3.3 Sale of Real Estate or other Property and Equipment	-	-	-
A.3.4 Royalties, Franchise Fees, Copyrights (books, films, records, etc.)	-	-	-
A.3.5 Others, specify (A.3.5.1 + A.3.5.2 + A.3.5.3 + A.3.5.4 + A.3.5.5 + A.3.5.6 + A.3.5.7 + A.3.5.8)	-	-	-
A.3.5.1	-	-	-
A.3.5.2	-	-	-
A.3.5.3	-	-	-
A.3.5.4	-	-	-
A.3.5.5	-	-	-
A.3.5.6	-	-	-
A.3.5.7	-	-	-
A.3.5.8	-	-	-
A.4 Other Income (non-operating) (A.4.1 + A.4.2 + A.4.3 + A.4.4)	-	-	-
A.4.1 Interest Income	-	-	-
A.4.2 Dividend Income	-	-	-
A.4.3 Gain / (Loss) from selling of Assets, specify (A.4.3.1 + A.4.3.2 + A.4.3.3 + A.4.3.4)	-	-	-
A.4.3.1	-	-	-
A.4.3.2	-	-	-
A.4.3.3	-	-	-
A.4.3.4	-	-	-
A.4.4 Others, specify (A.4.4.1 + A.4.4.2 + A.4.4.3 + A.4.4.4)	-	-	-
A.4.4.1	-	-	-
A.4.4.2	-	-	-
A.4.4.3	-	-	-
A.4.4.4	-	-	-
B. COST OF GOODS SOLD (B.1 + B.2 + B.3)	-	-	-
B.1 Cost of Goods Manufactured (B.1.1 + B.1.2 + B.1.3 + B.1.4 + B.1.5)	-	-	-
B.1.1 Direct Material Used	-	-	-
B.1.2 Direct Labor	-	-	-
B.1.3 Other Manufacturing Cost / Overhead	-	-	-
B.1.4 Goods in Process, Beginning	-	-	-
B.1.5 Goods in Process, End (negative entry)	-	-	-
B.2 Finished Goods, Beginning	-	-	-
B.3 Finished Goods, End (negative entry)	-	-	-
C. COST OF SALES (C.1 + C.2 + C.3)	-	-	-
C.1 Purchases	-	-	-
C.2 Merchandise Inventory, Beginning	-	-	-
C.3 Merchandise Inventory, End (negative entry)	-	-	-
D. GROSS PROFIT (A - B - C)	-	-	-

NOTE: Pursuant to SRC Rule 68.1 (as amended in Nov. 2005), for fiscal years ending December 31, 2005 up to November 30, 2006, a comparative format of only two (2) years may be filed to give temporary relief for covered companies as the more complex PFRSs will be applied for the first time in these year end periods. After these first time applications, the requirement of three (3) year comparatives shall resume for year end reports beginning December 31, 2006 and onwards.

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

NAME OF CORPORATION: ZEUS HOLDINGS, INC.

CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL. NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE: Other Business Activities

PSIC: 7499

If these are based on consolidated financial statements, please so indicate in the caption.

Table 2. Income Statement

FINANCIAL DATA	2010 (in P'000)	2009 (in P'000)
E. OPERATING EXPENSES (E.1 + E.2 + E.3 + E.4)	663	622
E.1 Selling or Marketing Expenses		-
E.2 Administrative Expenses		-
E.3 General Expenses	663	622
E.4 Other Expenses, specify (E.4.1 + E.4.2 + E.4.3 + E.4.4 + E.4.5 + E.4.6 + E.4.7 + E.4.8 + E.4.9 + E.4.10)		-
E.4.1 Education-related expenditures		
E.4.2		
E.4.3		
E.4.4		
E.4.5		
E.4.6		
E.4.7		
E.4.8		
E.4.9		
E.4.10		
F. FINANCE COSTS (F.1 + F.2 + F.3 + F.4 + F.5)		-
F.1 Interest on Short-Term Promissory Notes		-
F.2 Interest on Long-Term Promissory Notes		-
F.3 Interest on bonds, mortgages and other long-term loans		-
F.4 Amortization		-
F.5 Other interests, specify (F.5.1 + F.5.2 + F.5.3 + F.5.4 + F.5.5)		-
F.5.1		-
F.5.2		-
F.5.3		-
F.5.4		-
F.5.5		-
G. NET INCOME (LOSS) BEFORE TAX (D - E - F)	(663)	(622)
H. INCOME TAX EXPENSE (negative entry)		-
I. INCOME(LOSS) AFTER TAX	(663)	(622)
J. Amount of (i) Post-Tax Profit or Loss of Discontinued Operations; and (ii) Post-Tax Gain or Loss Recognized on the Measurement of Fair Value less Cost to Sell or on the Disposal of the Assets or Disposal Group(s) constituting the Discontinued Operation (if any)		
J.1		
J.2		
K. PROFIT OR LOSS ATTRIBUTABLE TO MINORITY INTEREST		
L. PROFIT OR LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
M. EARNINGS (LOSS) PER SHARE		
M.1 Basic	(0.00024)	(0.00023)
M.2 Diluted	-	-

SPECIAL FORM FOR FINANCIAL STATEMENTS OF PUBLICLY-HELD AND INVESTMENT COMPANIES

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TEL. NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE: Other Business Activities

PSIC:

7499

If these are based on consolidated financial statements, please so indicate in the caption.

Table 3. Cash Flow Statements

FINANCIAL DATA	2010 (in P'000)	2009 (in P'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss) Before Tax and Extraordinary Items	(663)	(622)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Depreciation		-
Amortization, specific		-
		-
Others, specify:		-
		-
		-
		-
Write-down of Property, Plant, and Equipment		-
Changes in Assets and Liabilities:		
Decrease (Increase) in:		
Receivables	-	-
Inventories		-
Other Current Assets	(59)	(55)
Others, specify:		
Increase (Decrease) in:		
Trade and Other Payables	6	1
Income and Other Taxes Payable		-
Others, specify:		-
A. Net Cash Provided by (Used in) Operating Activities (sum of above rows)	(717)	(675)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) Decrease in Amounts owed by related parties	-	-
(Increase) Decrease in Other noncurrent assets		-
Reductions/Additions to Property, Plant, and Equipment		-
Others, specify:		-
		-
B. Net Cash Provided by (Used in) Investing Activities (sum of above rows)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Loans		
Long-term Debt		
Issuance of Securities		
Others, specify: Increase (decrease) in amounts owed to related parties	20	12
Deposit for future subscriptions received	300	350
Payments of:		
(Loans)		
(Long-term Debt)		
(Stock Subscriptions)		
Others, specify (negative entry):		
C. Net Cash Provided by (Used in) Financing Activities (sum of above rows)	320	362
NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	(397)	(313)
Cash and Cash Equivalents		
Beginning of year	463	776
End of year	67	463

NOTE: Pursuant to SRC Rule 68.1 (as amended in Nov. 2005), for fiscal years ending December 31, 2005 up to November 30, 2006, a comparative format of only two (2) years may be filed to give temporary relief for covered companies as the more complex PFRSs will be applied for the first time in these year end periods. After these first time applications, the requirement of three (3) year comparatives shall resume for year end reports beginning December 31, 2006 and onwards.

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NAME OF CORPORATION: ZEUS HOLDINGS, INC.

CURRENT ADDRESS: 20th Floor LKG Tower, 6801 Ayala Avenue, Makati City

TEL. NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE: Other Business Activities

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If these are based on consolidated financial statements, please so indicate in the caption.

Table 4. Statement of Changes in Equity

FINANCIAL DATA	(Amount in P'000)					
	Capital Stock	Additional Paid-in Capital	Revaluation Increment	Translation Differences	Retained Earnings	TOTAL
A. Balance, 2007	2,733,464	33,394	-	-	(2,758,798)	(1,940)
A.1 Correction of Error(s)						-
A.2 Changes in Accounting Policy						-
B. Restated Balance	2,733,464	33,394	-	-	(2,758,798)	(1,940)
C. Surplus						-
C.1 Surplus (Deficit) on Revaluation of Properties						-
C.2 Surplus (Deficit) on Revaluation of Investments						-
C.3 Currency Translation Differences						-
C.4 Other Surplus (specify)						-
C.4.1 Deposit for future subscription					2,931	2,931
C.4.2						-
C.4.3						-
C.4.4						-
C.4.5						-
D. Net Income (Loss) for the Period					(664)	(664)
E. Dividends (negative entry)						-
F. Appropriation for (specify)						-
F.1						-
F.2						-
F.3						-
F.4						-
F.5						-
G. Issuance of Capital Stock						-
G.1 Common Stock						-
G.2 Preferred Stock						-
G.3 Others						-
H. Balance, 2008	2,733,464	33,394	-	-	(2,766,531)	326
H.1 Correction of Error (s)						-
H.2 Changes in Accounting Policy						-
I. Restated Balance	2,733,464	33,394	-	-	(2,766,531)	326
J. Surplus						-
J.1 Surplus (Deficit) on Revaluation of Properties						-
J.2 Surplus (Deficit) on Revaluation of Investments						-
J.3 Currency Translation Differences						-
J.4 Other Surplus (specify)						-
J.4.1 Deposit for future subscription					350	350
J.4.2						-
J.4.3						-
J.4.4						-
J.4.5						-
K. Net Income (Loss) for the Period					(622)	(622)
L. Dividends (negative entry)						-
M. Appropriation for (specify)						-
M.1						-
M.2						-
M.3						-
M.4						-
M.5						-
N. Issuance of Capital Stock						-
N.1 Common Stock						-
N.2 Preferred Stock						-
N.3 Others						-
O. Balance, 2009	2,733,464	33,394	-	-	(2,766,803)	55

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **30 June 2011**
2. Commission identification number **102415** 3. BIR Tax Identification No **000-056-514**

ZEUS HOLDINGS, INC.

4. Exact name of issuer as specified in its charter

Metro Manila, Philippines

5. Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: **[REDACTED]** (SEC Use Only)

20/F, LKG Tower, 6801 Ayala Avenue, Makati City

7. Address of issuer's principal office

1226

Postal Code

(632) 884-1106

8. Issuer's telephone number, including area code
9. Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA (as of 30 June 2011)

Title of each Class**Number of shares of common
stock outstanding and amount
of debt outstanding**

Common

2,733,463,907

Outstanding Loans

nil

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

Yes ☒ No ☐

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

Philippine Stock Exchange**Common**

12. Indicate by check mark whether the registrant:

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

Yes ☒ No ☐

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

Yes ☒ No ☐

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

(Please see attached unaudited financial statements)

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

As of 30 June 2011, total assets stood at P616,624, which is 49.05% higher from 31 December 2010. The increase is attributable to an increase in cash, primarily as a result of advances from a major shareholder and an increase in other current assets due to input value added tax on audit and listing fees. Total liabilities decreased by 22% due to settlement of operating expenses recorded last year.

During the quarter, and the six month period, the Company's total operating expenses slightly increased compared to the same period last year due to reimbursement of out of pocket expenses by the external auditor pertaining to last year's audit.

The top 5 performance indicators of the Company are as follows:

Ratios	Formula	30-June-11	30-June-10	31-Dec-10
Current Ratio	Current assets / Current liabilities	1.09:1 616,624 / 562,004	1.04:1 619,290 / 590,961	0.57:1 413,691 / 721,831
Debt to Equity Ratio	Total liabilities / Stockholders' equity	10.29:1 562,004 / 54,620	20.86:1 590,961 / 28,328	(2.34):1 721,831 / (308,140)
Capital Adequacy Ratio	Stockholders' equity / Total assets	0.088:1 54,620 / 616,624	0.045:1 28,328 / 619,290	(0.74):1 (308,140) / 413,691
Book value per share	Stockholders' equity / Total # of shares	0.000019 54,620 / 2,733,463,907	0.000010 28,328 / 2,733,463,907	(0.00011) (308,140) / 2,733,463,907
Loss per Share	Net loss / Total # of shares	(0.00012) (337,240) / 2,733,463,907	(0.00012) (326,555) / 2,733,463,907	(0.00024) (663,023) / 2,733,463,907

Current Ratio shows the Company's ability to meet its short-term financial obligation. As of 30 June 2011, the Company has P1.09 worth of current assets for every one peso liability as compared to last year's current ratio of P0.57 for every peso of liability. The increase is attributable to the increase in cash and input value added tax.

Debt to Equity Ratio indicates the extent of the Company's debt which is covered by shareholder's fund. It reflects the relative position of the equity holders. As of 30 June 2011, the Company's equity is not sufficient to cover its liabilities. However, its major shareholder is willing to support the Company as the need arises.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 30 June 2011, the Company's Capital Adequacy Ratio increased to positive P0.088 as compared to negative P0.74 as of 31 December 2010.

Book Value Per Share measures the recoverable amount in the event of liquidation if assets are realized at book value. The Company has book value per share of 0.000019 as of 30 June 2011.

Loss Per Share is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 30 June 2011, the Company's loss per share remained at negative .00012.

(B) Interim Periods

Discussion and analysis of material event/s and uncertainties known to management that would address the past and would have an impact on future operations of the following:

- (i) *Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.*

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way.

- (ii) *Events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation*

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

- (iii) *Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.*

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

- (iv) *Material Commitment for Capital Expenditure*

The Company has not entered into any material commitment for capital expenditure.

- (v) *Others*

There are no known trends, events or uncertainties that have material impact on net sales/revenues/income from continuing operations.

The Company did not recognize income or loss during the quarter that did not arise from continuing operations.

The causes for any material change from period to period, including vertical and horizontal analysis of material items, are included in Item 2 (Management's Discussion and Analysis of Financial Condition and Results of Operations).

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

SIGNATURES

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

Issuer:

ZEUS HOLDINGS, INC.

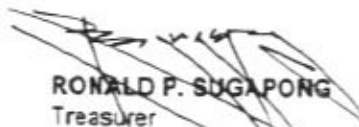
By:



DAISY L. PARKER

Corporate Secretary

Date: 15 August 2011



RONALD P. SUGAPONG

Treasurer

Date: 15 August 2011

ZEUS HOLDINGS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2011 AND DECEMBER 31, 2010

	UNAUDITED <u>JUNE 2011</u>	AUDITED <u>DECEMBER 2010</u>
<u>A S S E T S</u>		
CURRENT ASSETS		
Cash (Note 3)	P223,629	P67,364
Other current assets (Note 4)	<u>392,995</u>	<u>346,327</u>
TOTAL ASSETS	<u><u>P616,624</u></u>	<u><u>P413,691</u></u>
 <u>LIABILITIES AND EQUITY (CAPITAL DEFICIENCY)</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses (Note 5)	P562,004	P701,722
Due to a related party (Note 6)	<u>-</u>	<u>20,109</u>
Total Current Liabilities	<u><u>562,004</u></u>	<u><u>P721,831</u></u>
EQUITY (CAPITAL DEFICIENCY)		
Capital stock	2,733,463,907	2,733,463,907
Additional paid-in capital	33,393,941	33,393,941
Deposit for future stock subscriptions	4,280,900	3,580,900
Deficit	<u>(2,771,084,129)</u>	<u>(2,770,746,888)</u>
Total Equity (Capital Deficiency)	<u><u>54,620</u></u>	<u><u>(308,140)</u></u>
TOTAL LIABILITIES AND EQUITY (CAPITAL DEFICIENCY)	<u><u>P616,624</u></u>	<u><u>P413,691</u></u>

ZEUS HOLDINGS, INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED JUNE 30, 2011 AND 2010

	Three Months Period Ended		Six Months Period Ended	
	June 2011	June 2010	June 2011	June 2010
OPERATING EXPENSES				
Taxes and licenses	-	-	₱264,840	₱263,600
Professional fees	21,000	21,000	42,000	42,000
Photo & Reproduction	2,600	2,600	9,153	4,716
Other operating expenses	18,686	9,038	21,247	16,039
NET LOSS FOR THE PERIOD	42,286	32,792	337,240	326,555
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	₱42,286	₱32,792	₱337,240	₱326,555
 Loss Per Share	 0.00002	 0.00001	 0.00012	 0.00012

Loss per share is determined by dividing net loss by 2,733,463,907 shares issued and outstanding.

ZEUS HOLDINGS, INC.
STATEMENTS OF CHANGES IN EQUITY (CAPITAL DEFICIENCY)
FOR THE PERIOD ENDED JUNE 30, 2011 AND 2010

	<u>June 2011</u>	<u>June 2010</u>
CAPITAL STOCK		
Balance, beginning of year	₱2,733,463,907	₱2,733,463,907
Issuance of shares	<u>-</u>	<u>-</u>
Balance, end of the period	<u>2,733,463,907</u>	<u>2,733,463,907</u>
ADDITIONAL PAID-IN CAPITAL		
Balance, beginning of year	33,393,941	33,393,941
Balance, end of the period	<u>33,393,941</u>	<u>33,393,941</u>
DEPOSIT FOR FUTURE STOCK SUBSCRIPTION		
Balance, beginning of year	3,580,900	3,280,900
Additions	<u>700,000</u>	<u>300,000</u>
Balance, end of the period	<u>4,280,900</u>	<u>3,580,900</u>
DEFICIT		
Balance, beginning of year	(2,770,746,888)	(2,770,083,865)
Net loss for the period	<u>(337,240)</u>	<u>(326,555)</u>
Balance, end of the period	<u>(2,771,084,129)</u>	<u>(2,770,410,420)</u>
TOTAL EQUITY (CAPITAL DEFICIENCY)	<u>₱54,620</u>	<u>(₱28,328)</u>

ZEUS HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED JUNE 30, 2011 AND 2010

	<u>JUNE 2011</u>	<u>JUNE 2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(P337,240)	(P326,555)
Working capital changes		
Increase in other current assets	(46,668)	(42,164)
Decrease in accounts payable and accrued expenses	(139,718)	(108,290)
	<u> </u>	<u> </u>
Net Cash Used in Operating Activities	(523,626)	(477,009)
CASH FLOWS FROM FINANCING ACTIVITIES		
Additional amounts due (payments) to related party	(20,109)	3,122
Deposits for future stock subscription received	700,000	300,000
	<u> </u>	<u> </u>
Net Cash From Financing Activities	679,891	303,122
NET INCREASE (DECREASE) IN CASH	156,265	(173,887)
CASH AT BEGINNING OF THE PERIOD	<u>67,364</u>	<u>463,958</u>
CASH AT END OF THE PERIOD	<u><u>P223,629</u></u>	<u><u>P290,072</u></u>

ZEUS HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Zeus Holdings, Inc. (the Company) was incorporated in the Philippines on December 17, 1981 to engage in the purchase and sale of investments. As of June 30, 2011, the Company has not yet started its commercial operations.

The shares of the Company are traded at the Philippine Stock Exchange.

The registered office of the Company, which is also its principal place of business, is located at the 20th Floor, LKG Tower, 6801 Ayala Avenue, Makati City.

The unaudited interim financial statements of the Company for the period ended June 30, 2011 were authorized for issue by the Company's Board of Directors and Audit Committee on August 11, 2011.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been consistently applied to all periods presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

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

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in Philippine pesos, the Company's functional currency, and all values represent absolute amounts except when otherwise indicated.

2.2 Financial Instruments

Financial assets and financial liabilities are recognized in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. The accounting policies adopted for specific financial instruments are set out below.

Financial assets

The Company's financial assets consist of cash in bank, which are denominated in Philippine pesos and measured at fair value.

Financial liabilities

The Company's financial liabilities include accrued expenses and other payable. Financial liabilities are recognized when the Company becomes a party to the contractual agreements of the instrument and are initially measured at fair value, and are subsequently measured at

amortized cost less settlement payment, using the effective interest rate method. Financial liabilities are derecognized from the balance sheet only when the obligations are extinguished either through discharge, cancellation and expiration.

2.3 Expense Recognition

Expenses are recognized in the income statement upon receipt of goods and utilization of services or at the date they are incurred.

2.4 Equity

Capital stock is determined using nominal value of shares that have been issued.

Additional paid-in capital includes any premiums received on the initial issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits.

Deposits for future stock subscriptions are recorded based on the amounts received from stockholders and amounts of advances to be converted to equity.

Deficit includes all current and prior period results as disclosed in the income statement.

2.5 Loss per Share

Loss per share is determined by dividing net loss by the weighted average number of shares issued and outstanding during the period.

3. CASH

Cash includes peso currency deposit in bank which is unrestricted and readily available for use in the current operations.

4. OTHER CURRENT ASSETS

This account consists of input value added tax. Management has assessed that the balance of Input VAT is fully recoverable, thus, no impairment losses were recognized as of June 30, 2011.

5. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

The composition of this account is as follows:

	<u>June 2011</u>	<u>December 2010</u>
Accounts payable	P560,954	P580,658
Accrued expenses	1,050	121,064
	<u>P562,004</u>	<u>P701,722</u>

The carrying amounts recognized in the balance sheet are considered as a reasonable approximation of their fair values.

6. RELATED PARTY TRANSACTIONS

Due to related party consist of the following:

	<u>June 2011</u>	<u>December 2010</u>
Due to Related Party	-	₱20,109
	<u>-</u>	<u>₱20,109</u>

The carrying amounts recognized in the balance sheet are considered as a reasonable approximation of their fair values.

7. LOSS PER SHARE

The basic loss per share is computed as follows:

	<u>June 2011</u>	<u>June 2010</u>
Net loss	₱ 337,240	₱ 326,555
Divided by the weighted average number of issued and outstanding shares	<u>2,733,463,907</u>	<u>2,733,463,907</u>
Loss per share	₱ <u>0.00012</u>	₱ <u>0.00012</u>

Diluted earnings per share were not determined since the Company does not have potential dilutive common shares as of June 30, 2011 and 2010.

8. CONTINGENCY

The Philippines continues to experience economic difficulties relating to currency fluctuations, volatile stock markets and slowdown in growth. Management believes that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

9. OTHER MATTERS (OPERATING AGREEMENT WITH OLYMPIC)

Pursuant to the operating agreement with Olympic mentioned in Note 1, which shall take effect for a period of 25 years from the date of issuance of MPSA, the Company, in consideration of the agreement, shall pay Olympic in the form of royalties in an amount equivalent to 3% of the Net Smelter Return on metal sales. Moreover, as additional consideration for Olympic's appointment of the Company as operator of the mining claims, the Company has entered into an additional agreement with Olympic for the issuance of the Company's shares of stock from its unissued capital in favor of Olympic in accordance with the following provisions:

- (a) Ten million (10,000,000) common shares shall be issued to Olympic within one month from the issuance of the MPSA

- (b) Olympic shall have the option to subscribe at par, subject to applicable laws, to additional ten million (10,000,000) common shares within one year from the issuance of the MPSA; and
- (c) Olympic shall have the option to subscribe at par, subject to applicable laws, to one hundred million (100,000,000) common shares within five years from the issuance of the MPSA.

The above-mentioned agreements were unanimously passed and approved by the Company's BOD during a special meeting held on July 13, 2009 and ratified by the Company's stockholders representing 83.27% of the outstanding capital stock of the Company during the annual meeting of the stockholders held on November 5, 2009.

10. RISK MANAGEMENT OBJECTIVES AND POLICIES

As of June 30, 2011, the Company is not exposed to any financial risks as it has no significant financial instruments.

10.1 Credit Risk Analysis

The Company's exposure to credit risk is limited to the amount of Cash as shown on the face of the balance sheet. However, the credit risk for cash is considered negligible since the counterparty is a reputable bank with high quality external credit ratings.

10.2 Liquidity Risk

Liquidity risk arises from the possibility that the Company may encounter difficulties in raising funds to meet commitments from financial instruments.

The Company's objectives to manage its liquidity profile are: (a) to ensure that adequate funding is available at all times; (b) to meet commitments as they arise without incurring unnecessary costs; and (c) to be able to access funding when needed at the least possible cost. Funding for expenditures are advanced by stockholders of the Company.

As of June 30, 2011, the Company's maximum liquidity risk is the carrying amount of accounts payable and accrued expenses, which is shown as current liabilities in the balance sheets.

11. CAPITAL MANAGEMENT OBJECTIVE, POLICIES AND PROCEDURES

The Company's capital management objective is to ensure the Company's ability to continue as a going concern. The Company's management continues to assess possible investment opportunities and various options regarding operations that it may take in the future. The Company monitors capital on the basis of the carrying amount of equity as presented on the face of the balance sheets.

As of June 30, 2011, the Company has received additional cash infusions in which the Company intends to be subsequently converted into capital stock.

-oOo-