

# COVER SHEET

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SEC Registration Number

[illegible]

(Company's Full Name)

[illegible]

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

**ATTY. DAISY L. PARKER**  
(Contact Person)

(Contact Person)

**884-1106**  
(Company Telephone Number)

(Company Telephone Number)

**SEC FORM**

**1 2      3 1**

Month Day  
(Fiscal Year)

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(Form Type)

Month Day  
(Annual Meeting)

\_\_\_\_\_

(Secondary License Type, If Applicable)

\_\_\_\_\_

Dept. Requiring this Doc.

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Amended Articles Number/Section

\_\_\_\_\_

Total No. of Stockholders

\_\_\_\_\_

Domestic

\_\_\_\_\_

Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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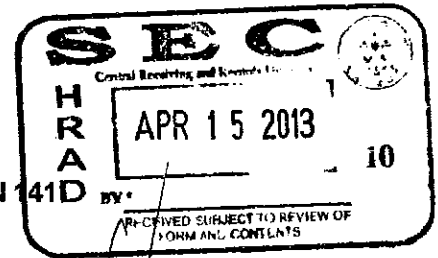
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17  
OF THE SECURITIES REGULATION CODE AND SECTION 141D  
OF THE CORPORATION CODE OF THE PHILIPPINES



1. For the fiscal year ended 31 December 2012
2. SEC Identification Number 0102415
3. BIR Tax Identification No. 000-056-514
4. ZEUS HOLDINGS, INC.  
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines  
Province, Country or other jurisdiction of  
incorporation or organization
6.  (SEC Use Only)  
Industry Classification Code:
7. 20/F, LKG Tower, 6801 Ayala Avenue, Makati City  
Address of principal office
- 1226  
Postal Code
8. (632) 884-1106  
Issuer's telephone number, including area code
9. N/A  
Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common</u>	<u>2,733,463,907</u>
<u>Outstanding loans</u>	<u>Nil</u>

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

Yes [ x ]    No [ ]

If yes, state the name of such stock exchange and the classes of securities listed therein:  
PHILIPPINE STOCK EXCHANGE

12. Check whether the issuer:

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

Yes [ x ]    No [ ]

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

Yes ☒ No ☐

13. Aggregate market value of the voting stock held by non-affiliates of the registrant.

P911,859,211.45 as of 31 December 2012

**APPLICABLE ONLY TO ISSUERS INVOLVED IN  
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS  
DURING THE PRECEDING FIVE YEARS:**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes ☐ No ☐

**DOCUMENTS INCORPORATED BY REFERENCE**

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

Description	Exhibit
N/A	N/A

**PART I - BUSINESS AND GENERAL INFORMATION**

**Item 1. Business**

**Business Development**

Zeus Holdings, Inc. ("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 now has the following primary purpose:

*"To purchase, subscribe for or otherwise acquire and own, hold, use, manage, develop, sell, assign, transfer, mortgage, pledge exchange or otherwise dispose of real and personal property of every kind and description, including but not limited to shares of stock, debentures notes, evidence of indebtedness and other securities, contracts or obligations of any corporation or corporations, association or associations, domestic of foreign and to pay therefore in whole or in part, in cash or by exchanging therefore, stocks, bonds and other evidences of indebtedness of securities of this or any other*

*corporation, while the owner or holder of any such real or personal property, stocks, bonds, debentures, notes, evidence of indebtedness or other securities, contracts or obligations, to receive, collect and dispose of the interest, dividends and income arising from such property and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers on any stock so owned, without however engaging in dealership in securities or in the stock brokerage business or in the business of an investment company under the Investment Company Act; to do any act designed to protect, preserve, improve or enhance the value of, or otherwise develop any real or personal property at any time held or controlled by the Corporation or in which it at that time may be interested."*

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 ("Zamcore"), 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, 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 ("Olympic"), whereby the Company was appointed as operator of Olympic'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 Olympic, whereby the Company would issue to Olympic 10,000,000 shares out of the Company's unissued capital and granted Olympic 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.

To date, the MGB has yet to issue the MPSA.

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

### **Business of Issuer**

#### **Competition**

The Company is engaged in business as an investment holding company. As an investment holding enterprise, the Company competes with other investment holding companies in the Philippines in terms of investment prospects. Its previous lone subsidiary, MPCC, was engaged in the manufacture and distribution of cement but, as heretofore stated, the Company divested its equity interest therein in December 2000.

However, with the execution of the Operating Agreement with Olympic for the Company's operation of Olympic's mining claims in Surigao Del Sur, the Company has begun its entry into the mining industry and could possibly compete with other mining companies in the Philippines in terms of generation of mineral products should its planned exploration of Olympic's mining claims be successful.

At this time, the Company is not in a position to discuss the relative financial and market strengths of its competitors either in the holding or mining sector because it does not have the relevant data.

#### **Major Risks**

Given the divestment by the Company of all its interest in its lone subsidiary and its current limited operations, the business risks facing the Company at present are minimal.

#### **Franchises**

The Company has no existing or pending patents, trademarks, copyrights, licenses, franchises, concessions or royalty agreements, and these are not expected to play a significant role in the operations of the Company in the immediate and medium term.

#### **Government Approvals for Principal Services**

Except as regards the operation of the Olympic mining claims which is the subject of an Application for Production Sharing Agreement currently pending with the Mines and Geosciences Bureau, if and when such is pursued, the present operations of the Company do not necessitate the obtainment of any special government approvals for its products and services.

The Company does not foresee any major impact of existing or probable government regulations on its business.

#### **Research and Development Activities**

Given the minimal operations of the Company, it has not engaged in research and development activities during the preceding year.

#### **Costs and Effects of Compliance with Environmental Laws**

Compliance costs are minimal given the present status of operations of the Company.

## Item 2. Properties

The Company sold all of its real properties valued at P31,423,000.00 in August 2001 and used the proceeds thereof to settle in part its accumulated advances from its previous stockholders. With the disposition of its equity interest in its sole subsidiary and the sale of all of its real estate assets, the Company does not have any major properties at this time.

## Item 3. Legal Proceedings

There is no pending legal proceeding involving the Company.

## Item 4. Submission of Matters to a Vote of Security Holders

The Annual Stockholders' Meeting ("ASM") of the Company was held on 16 November 2012. In the course thereof, the following matters were submitted to the vote of the stockholders:

1. Approval of the minutes of the previous meeting of the stockholders;
2. Approval of the Audited Financial Statements for the year ended 31 December 2011;
3. Ratification of all acts of the Board of Directors and Officers of the Company carried out in the regular course of business from 16 November 2011 to 20 November 2012;
4. Election of Directors; and
5. Appointment of External Auditors.

Items 1 to 3 and 5 above were unanimously approved/ratified. In addition, the following were re-elected as members of the Company's Board of Directors: Felipe U. Yap, Yuen Po Seng, Jose G. Cervantes, Augusto C. Villaluna, Stephen Y. Yap, Daisy L. Parker, Ronald P. Sugapong, Jesus Clint O. Aranas (independent director), and Oliver S. Faustino (independent director). (Atty. Faustino resigned as independent director on 5 February 2013 and was replaced by Atty. Lynne T. Lundang.)

Punongbayan & Araullo was re-appointed as the Company's external auditor.

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## PART II - OPERATIONAL AND FINANCIAL INFORMATION

### Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

The Company's common equity is traded at the Philippine Stock Exchange. For the last three years, the highs and lows of stock market prices are as follows:

		HIGH	LOW
2012	January-March	0.85	P0.66
	April - June	0.68	0.47
	July - September	0.59	0.38
	October - December	0.43	0.33
2011	January-March	0.215	0.171
	April - June	0.210	0.178
	July - September	1.37	0.18
	October - December	0.98	0.54
2010	January-March	0.23	0.185
	April - June	0.215	0.16
	July - September	0.23	0.161

	October - December	0.208	0.17
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The Company's stock was last traded at the PSE on 11 April 2013 at the price of P0.455 per share.

### **Holders**

As of 31 December 2012, the Company has a total of eight hundred twenty (820) stockholders, the top twenty (20) of which are as follows:

	<b><u>Name of Stockholder</u></b>	<b><u>No. of Shares</u></b>	<b><u>Percentage (%) of Shareholding</u></b>
1.	PCD NOMINEE CORPORATION (FILIPINO)	1,276,286,030	46.69%
2.	ZAMCORE REALTY AND. DEVELOPMENT CORPORATION	729,377,728	26.68%
3a.	F. YAP SECURITIES IN TRUST FOR HORIZON RESOURCES CORPORATION	410,019,586	15.00%
3b.	F. YAP SECURITIES IN TRUST FOR LINDSAY RESOURCES CORPORATION	410,019,586	15.00%
4.	PCD NOMINEE CORPORATION (NON-FILIPINO)	14,933,100	0.55%
5.	R. COYIUTO SECURITIES, INC.	10,310,000	0.38%
6.	FAR EAST CEMENT CORPORATION	6,283,906	0.23%
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%
10a.	JOLLY R. BUGARIN	500,000	0.02%
10b.	TIONG SHOU SY &/OR JUANITA S. TAN	500,000	0.02%
11.	MARTIN P. LORENZO	300,000	0.01%
12.	WANDA MICHELLE BUENCAMINO	232,000	0.01%
13.	VICTORIA Z. EGAN	160,000	0.01%
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%
18a.	CHING JUNG CHAN AND/OR TSAI LI MEI	50,000	0.002%
18b.	CLEMENTE Y. ONG	50,000	0.002%
18c.	LUCY CHUA SY	50,000	0.002%
19.	PNB SECURITIES, INC.	35,000	0.001%
20a.	MIRIAM BALINGIT	30,000	0.001%
20b.	RICARDO S. CANLAS	30,000	0.001%
20c.	HALIAN GO	30,000	0.001%

### **Dividends**

The Company has not declared any cash dividend for the last two (2) fiscal 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 in the past three (3) years.

### **Item 6. Management's Discussion and Analysis or Plan of Operation**

#### **YEAR 2012**

#### **Plan of Operation**

With the change in ownership in the middle of 2007, the Company is now focused on revitalizing its operations, particularly by going into the mining industry.

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 Olympic covering Olympic'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 Mines and Geosciences Bureau, 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.

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.

Aside from the Mining Claims of Olympic, the Company is currently evaluating other mining sites located in the Northern and Southern regions.

In the immediate term, the major stockholders will 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.

#### **Management's Discussion and Analysis**

As of 31 December 2012, total assets stood at P1,050,319 compared to the previous year's P965,426. Increase in cash is mainly due to the major shareholder's cash infusion during the year. The increase in other current assets is attributable to input value added tax on listing and audit fees. The increase in liability is due to accrual expenses. Cash infusions by the major shareholder were recorded as "Additional Paid-In Capital" or APIC, resulting in the increase of the APIC by 2%.

During the year, the Company posted a net loss of P673,747, slightly higher from the previous year's P669,286. The increase in the net loss is attributable to the increase in audit fees, which is partially negated by lower annual general meeting expenses.

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

Ratios	Formula	31-Dec-12	31-Dec-11*	31-Dec-10*
Current Ratio	Current Assets/Current Liabilities	0.25 :1 1,050,319 / 4,282,392	0.23:1 965,426 / 4,273,752	0.10:1 413,691 / 4,302,731
Debt to Equity Ratio	Total Liabilities/Stockholders' Equity	-1.32 :1 4,282,392 / -3,232,073	-1.29:1 4,273,752 / -3,308,326	-1.11 :1 4,302,731 / -3,889,040
Capital Adequacy Ratio	Stockholders' Equity/Total Assets	-3.08 :1 -3,232,073 / 1,050,319	-3.43 :1 -3,308,326 / 965,426	-9.40 :1 -3,889,040 / 413,691
Book Value Per Share	Stockholders' Equity/Total # of shares	-0.00118 -3,232,073 / 2,733,463,907	-0.00121 -3,308,326 / 2,733,463,907	-0.00142 -3,889,040 / 2,733,463,907
Loss Per Share	Net Loss/Total # of Shares	-0.00025 -673,747 / 2,733,463,907	-0.00024 -669,286 / 2,733,463,907	-0.00024 -663,023 / 2,733,463,907

\* As indicated in Notes 5 and 7 of the Audited Financial Statements of the Company as of 31 December 2012 and 2011, Deposits for Future Subscription appearing in the books of the Corporation are now presented as current liabilities instead of under equity. The comparative ratios for the last three years presented above reflect this change. However, the comparative ratios presented in previous years (see below) were not changed. Hence, the figures and ratios for the years 2011 and 2010 presented therein differ from those shown above.

**Current ratio** shows the Company's ability to meet its short term financial obligation. As of 31 December 2012, the Company has P0.25 cents worth of current assets for every peso of liabilities as compared to last year's P0.23. The minimal increase is attributable to advances made from shareholders.

**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 2012, the Company's debt to equity is negative 1.32 compared to last year's negative 1.29. 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 2012, the Company's Adequacy Ratio is negative 3.08 compared to last year's negative 3.43.

**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 negative P0.00118 as of 31 December 2012.

**Loss per share** is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 31 December 2012, the Company's loss per share posted at P0.00025 per share.

### 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 and its subsidiaries 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.

There are no known causes for material change (of material item) from period to period.

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

## YEAR 2011

For the year ended 31 December 2011, total assets increased by 133% from the previous year's P413,691 to P965,426. The increase in cash is mainly due to cash infusions by the Company's major shareholder made during the year. The increase in other current assets is attributable to input value added tax on listing and audit fee. The decrease in liability is due to settlement of accrued expenses. Cash infusions by the major shareholder were recorded as "Additional Paid-In Capital" or APIC, resulting in the increase of APIC by 4%.

During the year 2011, the Company posted a net loss of P669,286, slightly higher from the previous year's P663,023. The increase is attributable to higher annual general meeting expenses.

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

Ratios	Formula	31-Dec-11	31-Dec-10	31-Dec-09
Current Ratio	Current Assets/Current Liabilities	1.39 :1 965,426 / 692,852	0.57 :1 413,691 / 721,831	1.08 :1 751,012 / 696,129
Debt to	Total	2.54 :1	-2.34 :1	12.68 :1

Equity Ratio	Liabilities/Stockholders' Equity	692,852 / 272,574	721,831 / -308,140	696,129 / 54,883
Capital Adequacy Ratio	Stockholders' Equity/Total Assets	0.28 :1 272,574 / 965,426	-0.74 :1 -308,140 / 413,691	0.07 :1 54,883 / 751,012
Book Value Per Share	Stockholders' Equity/Total # of shares	0.00010 272,574 / 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	-0.00024 -669,286 / 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 31 December 2011, the Company has P1.39 cents worth of current assets for every peso of liabilities as compared to last year's P0.57. The 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 2011, the Company has stockholders' equity of P272,574, and the major shareholder remains committed 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 is negative P0.28 compared to last year's negative P0.74.

**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 P0.00010 as of 31 December 2011.

**Loss Per Share** is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 31 December 2011, the Company's loss per share remained at P0.00024 per share.

### **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) *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.

There are no known causes for material change (of material item) from period to period.

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

**YEAR 2010**

For the year ended 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 top 5 performance indicators of the Company are as follows:

Ratios	Formula	31-Dec-10	31-Dec-09	31-Dec-08
Current Ratio	Current Assets/Current Liabilities	0.57 :1 413,691 / 721,831	1.08 :1 751,012 / 696,129	1.48:1 1,008,949/682,516
Debt to Equity Ratio	Total Liabilities/Stockholders' Equity	-2.34 :1 721,831 / -308,140	12.68 :1 696,129 / 54,883	2.09 : 1 682,516/ 326,433
Capital Adequacy Ratio	Stockholders' Equity/Total Assets	-0.74 :1 -308,140 / 413,691	0.07 :1 54,883 / 751,012	0.32 :1 326,433 / 1,008,949
Book Value Per Share	Stockholders' Equity/Total # of shares	-0.00011 -308,140 / 2,733,463,907	0.00002 54,883 / 2,733,463,907	0.00012 326,433 /2,733,463,907
Loss Per Share	Net Loss/Total # of Shares	-0.00024 -663,023 / 2,733,463,907	-0.00023 -621,550 / 2,733,463,907	-0.00024 -664,322/2,733,463,907

**Current Ratio** shows the Company's ability to meet its short term financial obligation. As of 31 December 2010, the Company has P0.57 cents worth of current assets for every peso of liabilities as compared to the previous year's P1.08. The 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 2010, the

Company has negative equity. However, the major shareholder is committed 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 2010, the Company's Adequacy Ratio is negative P0.74 compared to the previous year's positive P0.07.

**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 P0.00011 as of 31 December 2010.

**Loss Per Share** is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 31 December 2010, the Company's loss per share was 6% higher compared to the same period last 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) *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.

There are no known causes for material change (of material item) from period to period.

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

## Item 7. Financial Statements

The Audited Consolidated Financial Statements of the Company as of 31 December 2012 is attached hereto.

## Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

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

### Audit and Audit-Related Fees

The total fees for services rendered by the external auditor are as follows:

	2012	2011	2010
Professional Fees	130,000	120,000	120,000
Value Added Tax	15,600	14,400	14,400
TOTAL Audit Fees	145,600	134,400	134,400

## PART III - CONTROL AND COMPENSATION INFORMATION

### Item 9. Directors and Executive Officers of the Issuer

As of 31 December 2012, the following are the members of the Board of Directors and the Senior Officers of the Corporation, each of whom was elected as such for a period of one (1) year at the ASM held on 20 November 2012, except for Atty. Lynne Lundang who was elected by the Board to replace the resigned Atty. Oliver S. Faustino as independent director during the special Board meeting held on 5 February 2013:

**a. FELIPE U. YAP – Director/Chairman (4 November 1998 – present)**

- 75 (Filipino), Chairman/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., 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 Corp., Philippine Fire & Marine Insurance Corporation, Orion Property Development, Inc. and Lepanto Condominium Corporation

**b. YUEN PO SENG – Director/President (4 November 1998 – present)**

- 54 (Malaysian), Director/President of Prime Orion Philippines, Inc.\* (2002 to present), 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., 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., Top Master Construction (Philippines), Inc., Treasure-House Holdings Corporation, and Genez Investments Corporation*
- c. JOSE G. CERVANTES** – *Director (28 November 2007 – present)*
  - *78 (Filipino), Director of Manila Mining Corporation\* (2006 to present) and Lepanto Consolidated Mining Company\* (2006 to present)*
- d. AUGUSTO C. VILLALUNA** – *Director/Vice-President (28 November 2007 – present)*
  - *64 (Filipino), Senior Vice-President/Director of Manila Mining Corporation\* (2004 to present)*
  - *Director of 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** – *Director (28 November 2007 – present)*
  - *44 (Filipino), President of Starman Sales, Inc.*
  - *Vice-President for Special Projects of Tutuban Properties, Inc.*
- f. RONALD P. SUGAPONG** – *Director/Treasurer (14 March 2001 – present)*
  - *46 (Filipino), Director (2007 to present)/Senior Vice-President for Finance (2009 to present)/Treasurer (2007 to present) of Prime Orion Philippines, Inc.\*;*
  - *Director/Treasurer of Orion Land Inc., Tutuban Properties, Inc., Orion Property Development, Inc., Orion I Holdings Philippines, Inc., TPI Holdings Corporation, ZHI Holdings, Inc., Orion Beverage, Inc., Orion Maxis Inc., Orion Solutions, Inc., 22Ban Marketing, Inc., OE Holdings, Inc., OYL Holdings, Inc., Guoco Assets (Philippines), Inc., and Hong Way Holdings, Inc.*
  - *Treasurer of FLT Prime Insurance Corporation*
- g. DAISY L. PARKER** – *Director/Corporate Secretary (14 March 2001 – present)*
  - *49 (Filipino), 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., 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., Orange Grove Investments Corporation, Pine Grove Investments Corporation, and Philtravel Corporation*
  - *Director of Guoco Assets (Philippines), Inc. and 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** – *Independent Director (12 December 2002 – present)*
  - *46 (Filipino), Managing Partner of Aranas Law Offices*
  - *Chairman/President of Genez Investments Corporation and Treasure-House Holdings Corporation*



- Director/President of Liyam Property, Inc.
- Director/Corporate Secretary of Philippines Epon Property Holdings, Inc., Easy Pha-max Philippines, Inc., INS Health-Tech Philippines, Inc., 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 Epon Precision (Philippines), Inc., Philippines Epon Optical, Inc., and Platform2u.com Philippines Inc.

**i. LYNNETH T. LUNDANG – Independent Director (5 February 2013 – present)**

- 36 (Filipino), Associate of Aranas Law Offices

\* Listed in the PSE.

The Nomination and Election Committee of the Company was constituted on 27 November 2003 and is currently composed of Messrs. Jesus Clint O. Aranas, Felipe U. Yap, and Yuen Po Seng, all of whom are members of the Company's Board of Directors. Atty. Aranas was re-elected as an independent director during the ASM of the Company held on 28 November 2007. Two other committees, namely the Compensation and Remuneration Committee and the Audit Committee, were constituted during the ASM held on 14 December 2004. The first is currently composed of Messrs. Jesus Clint O. Aranas, Felipe U. Yap, and Yuen Po Seng, while the second is composed of Messrs. Jesus Clint O. Aranas, Ronald P. Sugapong, and Stephen Y. Yap.

Aranas Law Offices has not been engaged by the Company in any professional capacity for the past three (3) years. Further, there are no family relationships up to the fourth civil degree of consanguinity or affinity among the directors and executive officers of the Company.

Other than the aforementioned executive officers, there are no employees at present who are expected to make a significant contribution to the Company's business.

**Family Relationships**

Except for Messrs. Felipe U. Yap (Chairman) and Stephen Y. Yap (Director), who are related to each other to the third civil degree (Mr. Felipe U. Yap is the brother of Mr. Stephen Y. Yap's father), 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 (5) years that are material to any evaluation of the ability of any director or executive officer of the Company:

- 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.

#### Item 10. Executive Compensation

The members of the Board of Directors and the executive officers of the Company have not received any compensation for the last two fiscal years. There are no other arrangements between the Company and any of its directors for any form of compensation for services rendered during the last completed fiscal year and the ensuing year. There are likewise no arrangements for employment contracts, termination of employment and change in control arrangements between the Company and any of its executive officers.

#### Item 11. Security Ownership of Certain Beneficial Owners and Management

##### A. Ownership of Certain Record and Beneficial Owners (more than 5%) (as of 31 December 2012)

Title of Class	Name and Address of Record and Relationship With Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Amount and Nature of Record/Beneficial Ownership (indicate by "r" or "b")	Percent of Class
Common	PCD Nominee Corporation** / G/F Makati Stock Exchange, Ayala Ave., Makati City / Stockholder	PCD Participants (Brokers) / Various Individuals and Corporations / Clients	Filipino	1,276,286,030 (r)	46.69%
Common	Zamcore Realty and Development Corporation* / 5/F Lepanto Bldg., Paseo De Roxas, Makati City / Stockholder	Zamcore Realty and Development Corporation	Filipino	729,377,728 (r/b)	26.68%
Common	F. Yap Securities, Inc.*** / 23/F East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City / Broker	Horizon Resources Corporation / Client	Filipino	410,019,586 (r)	15%
Common	F. Yap Securities, Inc.**** / 23/F East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City / Broker	Lindsay Resources Corporation / Client	Filipino	410,019,586 (r)	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. 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** 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.

**\*\*\*FYSI** holds the 410,019,586 Zeus shares in trust for Horizon Resources Corporation.

**\*\*\*\*FYSI** holds the 410,019,586 Zeus shares in trust for Lindsay Resources Corporation.

**B. Security Ownership of Management (other than as Nominees) (as of 31 December 2012)**

NONE

*Title of class of the shares owned and percentage of ownership of all directors and executive officers as a group:*

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%
	Daisy L. Parker	1 *(d)	Filipino	0%
	Ronald P. Sugapong	1 *(d)	Filipino	0%
	Jesus Clint O. Aranas	1 *(d)	Filipino	0%
	Lynneth T. Lundang	1 *(d)	Filipino	0%
		<u>Total 9</u>		

*Natural persons owning more than 5% of the registrant's voting shares and who have the power to vote the same:* NONE.

**C. Voting Trust Holders of 5% or More**

There are no voting trust holders of 5% or more of the common shares.

**D. Changes in Control**

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

**Item 12. Certain Relationships and Related Transactions**

To the knowledge and/or information of the Company, other than Messrs. Felipe U. Yap and Stephen Y. Yap who are related in the third civil degree, the aforementioned members of the Board of Directors or its Executive Officers are not in any way related to each other within the fourth civil degree of consanguinity or affinity.

Apart from the Related Party Transactions mentioned in Note 5 of the Company's Financial Statements as at 31 December 2012 and 2011, no other such transactions were entered into by the Company during the last two fiscal years. Neither were there any material transactions with other parties

falling outside the definition of "related parties" under PAS/IAS No. 24 that were not on an arm's length basis.

The Company has no transaction or proposed transaction to which it was or is to be a party in which any of its officers, directors or nominees for election as directors or any member of the immediate family of any of the said persons has or is to have a direct or indirect material interest.

No bankruptcy, receivership or similar proceeding has been instituted by, for or against any of its directors, officers or affiliates, or any owner of record of more than 10% of the securities of the Company, or any associate of any such director, officer of affiliate, or security holder, is not a party to any material legal proceeding of which any of their property is the subject.

Given the Company's limited operations and minimal manpower, the Company did not enter into any significant transactions during the last reporting period. However, the major stockholder of the Company commits to support the operations of the Company while it has limited transactions.

#### **PART IV – EXHIBITS AND SCHEDULES**

##### **Item 13. Exhibits and Reports on SEC Form 17-C**

###### **(a) Exhibits**

<u>Descriptions</u>	<u>Exhibit</u>
1. Audited Financial Statements	1

###### **(b) Reports on SEC Form 17-C**

During the period covered by this report, the reports on 17-C (Current Report) filed with the Commission cover the following:

- a. Postponement of the Company's 2012 Annual Stockholders' Meeting (ASM) from any day in June, as provided in the Company's By-laws, to a later date (15 March 2012)
- b. Submission of the Company's Audit Committee Charter (5 October 2012)
- c. Setting the date (20 November 2012), time, venue and agenda of the ASM and the record date (26 September 2012) for stockholders entitled to vote at said meeting (11 September 2012)
- d. At the ASM on 20 November 2012: Election of directors of the Company and ratification of corporate acts (20 November 2012)
- e. At the organizational meeting of the Board of Directors on 20 November 2012: Election of officers of the Company, election of Compliance Officer, election of the members of the Nomination Committee, Compensation and Remuneration Committee, and Audit Committee as provided in the Company's Manual on Corporate Governance; and election of the Compliance Officer pursuant to the Company's Anti-Money Laundering Manual (20 November 2012)

### SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on 15 APRIL 2013

By:

  
**FELIPE U. YAP**  
Chairman

  
**RONALD P. SUGAPONG**  
Director/Treasurer

  
**YUEN PO SENG**  
President

  
**DAISY L. PARKER**  
Corporate Secretary

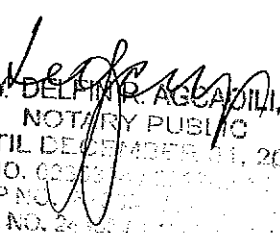
APR 15 2013

MANILA

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ in \_\_\_\_\_, affiants exhibiting to me the following:

<u>Names</u>	<u>Competent Evidence of Identity</u>	<u>Date/Place Issued</u>
Felipe U. Yap	Passport No. VVW0232536	26 Sept. 2007/Manila
Yuen Po Seng	Passport No. A25169994	25 Oct. 2011/Georgetown, Malaysia
Ronald P. Sugapong	Passport No. XX1614462	15 Jul. 2008/Manila
Daisy L. Parker	Passport No. EB1284390	3 Nov. 2010/Manila

Doc. No. 204  
Page No. 24  
Book No. 329  
Series of 2013.

  
ATTY. DELFINO R. AGCAJILI, JR.  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2013  
PTR NO. 00013-2/2010-2011  
IBP NO. 00013-2/2010-2011  
ROLL NO. 2013-1/1/2013-068  
MCLE III - 3013021  
Com. No. 2013-023



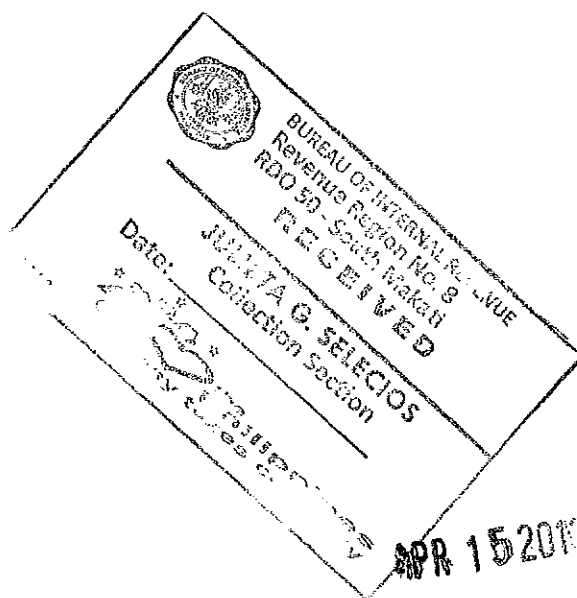
# Punongbayan & Araullo

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Financial Statements and  
Independent Auditors' Report

**Zeus Holdings, Inc.**

December 31, 2012, 2011, and 2010



# 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.** (the Company), is responsible for the preparation and fair presentation of the financial statements for the years ended December 31, 2012 and 2011, in accordance with Philippine Financial Reporting Standards (PFRS), including the following additional supplemental information filed separately from the basic financial statements:

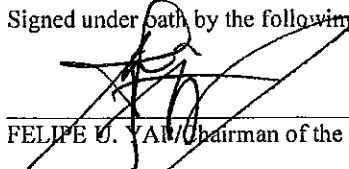
- Supplementary Schedules Required under Annex 68-E of the Securities Regulation Code Rule 68;
- Schedule of Philippine Financial Reporting Standards and Interpretations Adopted by the Securities and Exchange Commission and the Financial Reporting Standards Council as of December 31, 2012;
- Schedule of Financial Indicators for December 31, 2012 and 2011;

Management responsibility on the financial statements 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.

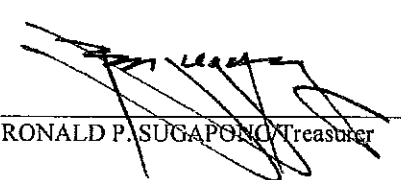
The Board of Directors reviews and approves the financial statements, and the additional supplementary information, and submits the same to the stockholders.

Punongbayan & Araullo, the independent auditors 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

Signed this 1st day of April 2013.

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

**SUBSCRIBED AND SWORN** to before me this 11 day of April 2013, affiants exhibiting to me their passports as competent of their identities, as follows:

Name  
Felipe U. Yap  
Yuen Po Seng  
Ronald P. Sugapong

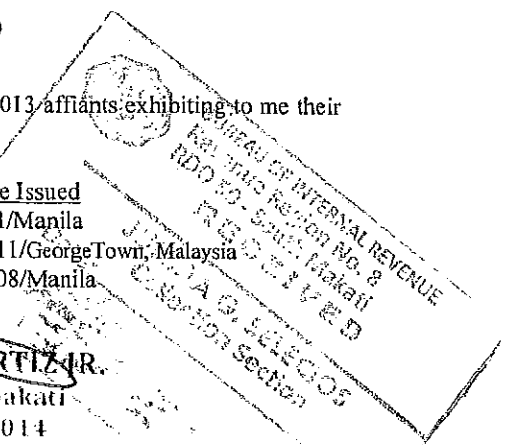
Competent Evidence of Identity  
Ppt No. EB3713140  
Ppt No. A25169994  
Ppt No. XX1614462

Date/Place Issued  
9-22-2011/Manila  
9-25-2011/George Town, Malaysia  
07-15-2008/Manila

Doc. No. 11;  
Page No. 21;  
Book No. XX;  
Series of 2013.

**ATTY. GERVASIO B. ORTIZ JR.**  
Notary Public City of Makati  
Until December 31, 2014  
IBP No. 656155-Lifetime Member  
MCLE Compliance No. 11-0014282  
Appointment No. M-199-(2013-2014)  
PTR No. 3664330 Jan. 2, 2013  
Makati City Roll No. 40091

APR 11 2013





# Punongbayan & Araullo

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## Report of Independent Auditors

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The Enterprise Center  
6766 Ayala Avenue  
1200 Makati City  
Philippines

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F +63 2 886 5506  
[www.punongbayan-araullo.com](http://www.punongbayan-araullo.com)

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

### Report on the Financial Statements

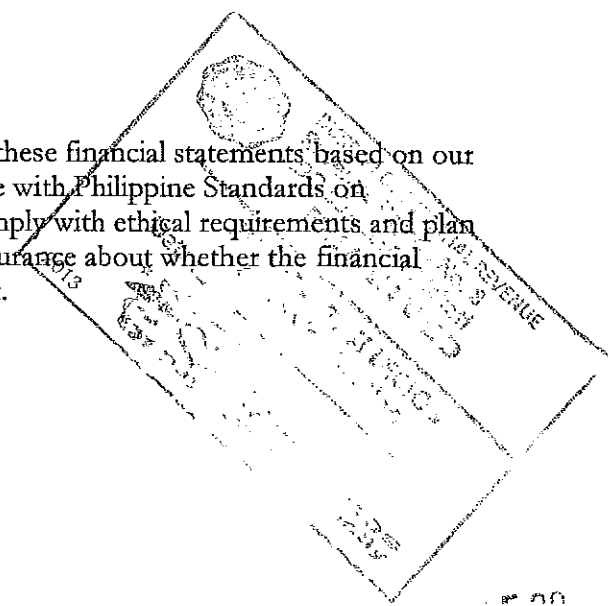
We have audited the accompanying financial statements of Zeus Holdings, Inc., which comprise the statements of financial position as at December 31, 2012, 2011, and 2010 and the statements of comprehensive income, statements of changes in capital deficiency and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

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

#### *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.







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, 2012, 2011 and 2010, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards.

#### *Emphasis of Matter*

Without qualifying our opinion, we draw attention to Note 1 to the financial statements which indicates that the Company incurred net losses of P673,747, P669,286 and P663,023 for the years ended December 31, 2012, 2011 and 2010, respectively, which resulted into a capital deficiency amounting to P3,232,073, P3,308,326 and P3,889,040, respectively, as of those dates. For the current and past few years, the Company has not undertaken any investing or operating activity. This condition and the Company's recurring net losses raised substantial doubt about the Company's ability to continue as a going concern. The Company, however, continuously evaluates possible business opportunities, particularly, in engaging to mining activities in the foreseeable future to revitalize its operations. Moreover, the Company intends to convert its Deposits for Future Stock Subscriptions amounting to P3,580,900 into capital stock by 2013. Sufficient audit procedures were performed to verify the Company's plans. Accordingly, 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.


APR 15 2013



### **Report on Other Legal and Regulatory Requirements**

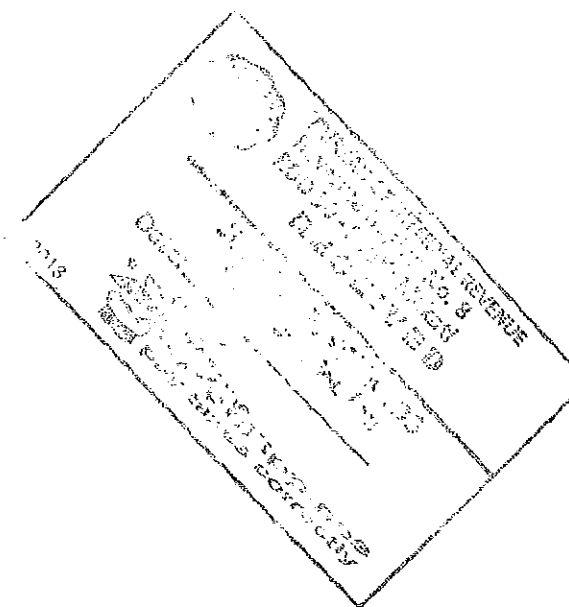
Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2012 required by the Bureau of Internal Revenue as disclosed in Note 13 to the financial statements is presented for purposes 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**

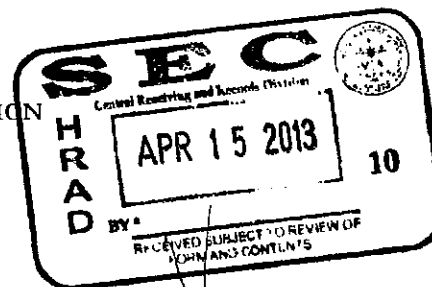
  
By: **Nelson J. Dinio**  
Partner

CPA Reg. No. 0097048  
TIN 201-771-632  
PTR No. 3671455, January 2, 2013, Makati City  
SEC Group A Accreditation  
Partner - No. 1036-A (until Sept. 29, 2013)  
Firm - No. 0002-FR-3 (until Jan. 18, 2015)  
BIR AN 08-002511-32-2011 (until Feb. 3, 2014)  
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Dec. 31, 2015)

April 1, 2013

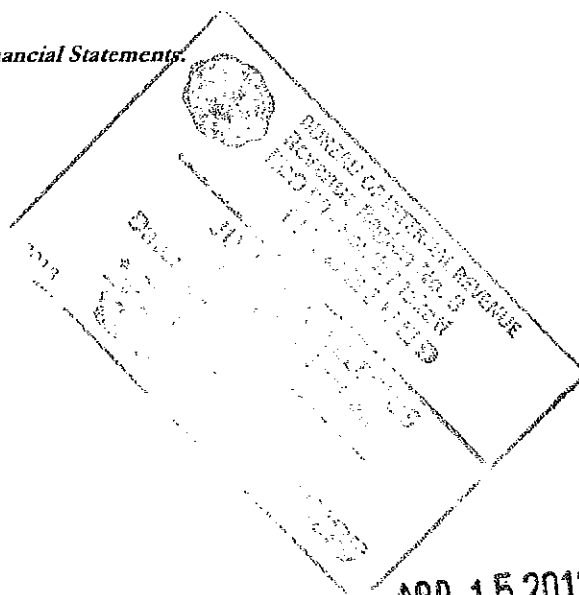


ZEUS HOLDINGS, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2012, 2011 AND 2010  
(Amounts in Philippine Pesos)



			2011 (As Restated - see Note 7)	2010 (As Restated - see Note 7)
	Notes	2012		
<b><u>ASSETS</u></b>				
<b>CURRENT ASSETS</b>				
Cash		P 575,932	P 555,765	P 67,364
Input value-added tax	13	<u>474,387</u>	<u>409,661</u>	<u>346,327</u>
<b>TOTAL ASSETS</b>		<b>P 1,050,319</b>	<b>P 965,426</b>	<b>P 413,691</b>
<b><u>LIABILITIES AND CAPITAL DEFICIENCY</u></b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable and accrued expenses	4	P 701,492	P 692,852	P 721,831
Deposits for future stock subscriptions	5, 7	<u>3,580,900</u>	<u>3,580,900</u>	<u>3,580,900</u>
Total Current Liabilities		<u>4,282,392</u>	<u>4,273,752</u>	<u>4,302,731</u>
<b>CAPITAL DEFICIENCY</b>				
Capital stock	7	2,733,463,907	2,733,463,907	2,733,463,907
Additional paid-in capital	7	35,393,941	34,643,941	33,393,941
Deficit		( <u>2,772,089,921</u> )	( <u>2,771,416,174</u> )	( <u>2,770,746,888</u> )
Total Capital Deficiency		( <u>3,232,073</u> )	( <u>3,308,326</u> )	( <u>3,889,040</u> )
<b>TOTAL LIABILITIES AND CAPITAL DEFICIENCY</b>		<b>P 1,050,319</b>	<b>P 965,426</b>	<b>P 413,691</b>

See Notes to Financial Statements.

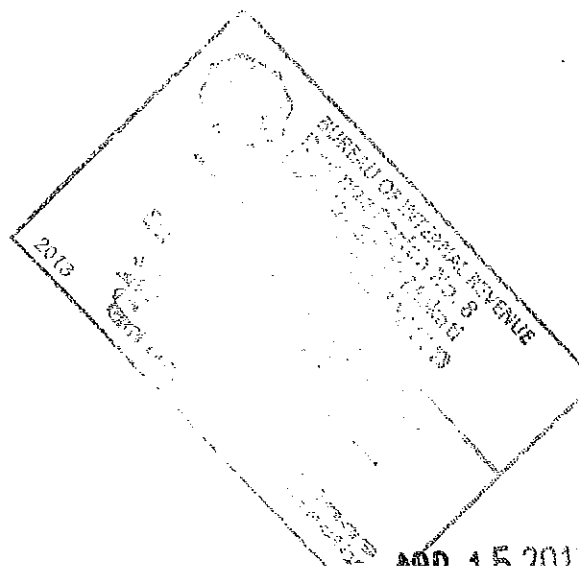


ZEUS HOLDINGS, INC.  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010\*  
(Amounts in Philippine Pesos)

	Notes	2012	2011	2010
<b>OPERATING EXPENSES</b>				
Taxes and licenses	13	P 265,140	P 264,840	P 263,600
Professional fees		214,000	204,000	204,000
Photocopying and reproduction		73,478	86,089	84,978
Communication, light and water		26,443	25,856	24,984
Contracted services		22,805	31,533	21,428
Advertising and promotions		12,618	12,294	12,294
Rental		9,346	5,900	8,200
Trainings and seminars		350	300	900
Other operating expenses		49,567	38,474	42,639
<b>NET LOSS</b>		<b>673,747</b>	<b>669,286</b>	<b>663,023</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE LOSS</b>		<b>P 673,747</b>	<b>P 669,286</b>	<b>P 663,023</b>
<b>Loss Per Share</b>	8	<b>P 0.00025</b>	<b>P 0.00024</b>	<b>P 0.00024</b>

*See Notes to Financial Statements.*

\* The Company was incorporated on December 17, 1981 and has not yet started commercial operations as of December 31, 2012.

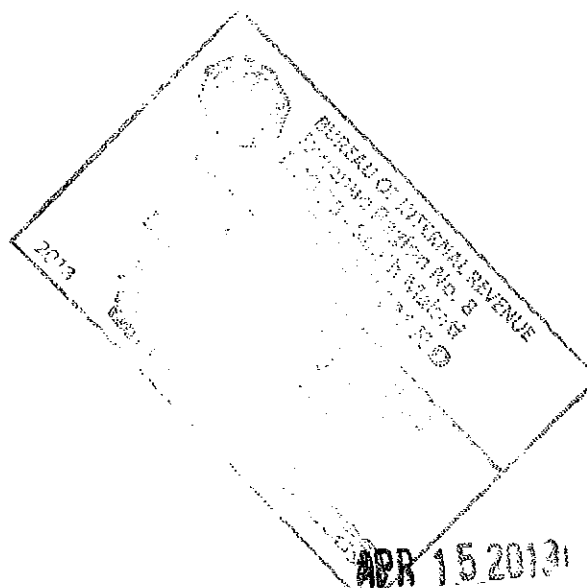


ZEUS HOLDINGS, INC.  
STATEMENTS OF CHANGES IN CAPITAL DEFICIENCY  
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010\*  
(Amounts in Philippine Pesos)

	Note	2012	2011 (As Restated - see Note 7)	2010 (As Restated - see Note 7)
<b>CAPITAL STOCK - P1 par value</b>				
Authorized - 3,000,000,000 shares				
Issued and outstanding - 2,733,463,907 shares	7	<u>P 2,733,463,907</u>	<u>P 2,733,463,907</u>	<u>P 2,733,463,907</u>
<b>ADDITIONAL PAID-IN CAPITAL</b>				
Balance at beginning of year		34,643,941	33,393,941	33,393,941
Cash infusion during the year	7	<u>750,000</u>	<u>1,250,000</u>	<u>-</u>
Balance at end of year		<u>35,393,941</u>	<u>34,643,941</u>	<u>33,393,941</u>
<b>DEFICIT</b>				
Balance at beginning of year		( 2,771,416,174 )	( 2,770,746,888 )	( 2,770,083,865 )
Net loss for the year		( <u>673,747</u> )	( <u>669,286</u> )	( <u>663,023</u> )
Balance at end of year		( <u>2,772,089,921</u> )	( <u>2,771,416,174</u> )	( <u>2,770,746,888</u> )
<b>TOTAL CAPITAL DEFICIENCY</b>		( <u>P 3,232,073</u> )	( <u>P 3,308,326</u> )	( <u>P 3,889,040</u> )

*See Notes to Financial Statements.*

\* The Company was incorporated on December 17, 1981 and has not yet started commercial operations as of December 31, 2012.

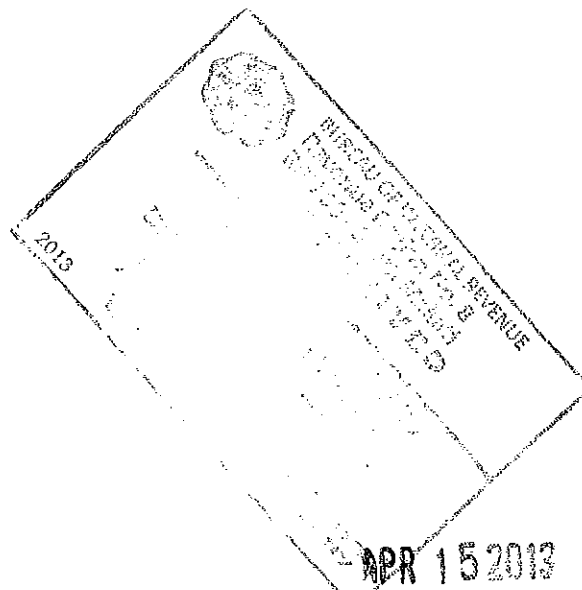


ZEUS HOLDINGS, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010\*  
(Amounts in Philippine Pesos)

	<u>Note</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net loss representing operating loss				
before working capital changes		( P 673,747 )	( P 669,286 )	( P 663,023 )
Increase in input value-added tax		( 64,726 )	( 63,334 )	( 59,273 )
Increase (decrease) in accounts payable				
and accrued expenses		<u>8,640</u>	<u>( 28,979 )</u>	<u>25,702</u>
Net Cash Used in Operating Activities		( 729,833 )	( 761,599 )	( 696,594 )
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>				
Cash infusion received from stockholders	5	<u>750,000</u>	<u>1,250,000</u>	<u>300,000</u>
<b>NET INCREASE (DECREASE) IN CASH</b>		<b>20,167</b>	<b>488,401</b>	<b>( 396,594 )</b>
<b>CASH AT BEGINNING OF YEAR</b>		<u><b>555,765</b></u>	<u><b>67,364</b></u>	<u><b>463,958</b></u>
<b>CASH AT END OF YEAR</b>		<u><b>P 575,932</b></u>	<u><b>P 555,765</b></u>	<u><b>P 67,364</b></u>

*See Notes to Financial Statements.*

\* The Company was incorporated on December 17, 1981 and has not yet started commercial operations as of December 31, 2012.



**ZEUS HOLDINGS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012, 2011 AND 2010**  
*(Amounts in Philippine Pesos)*

**1. CORPORATE INFORMATION AND STATUS OF OPERATIONS**

***1.1 Corporate Information***

Zeus Holdings, Inc. (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on December 17, 1981 to engage in the purchase and sale of investments. The Company has not yet started its commercial operations as of December 31, 2012.

As of December 31, 2012, the largest stockholder of the Company is Zamcore Realty & Development Corporation which holds a 22% ownership interest in the Company.

The shares of the Company are listed and 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 20<sup>th</sup> Floor, LKG Tower, 6801 Ayala Avenue, Makati City.

The finance and administrative functions of the Company are being handled by a third party.

The financial statements of the Company for the year ended December 31, 2012 (including the comparatives for the years ended December 31, 2011 and 2010) were authorized for issue by the Company's Board of Directors (BOD) on April 1, 2013.

***1.2 Status of Operations***

The Company incurred net losses of P673,747 in 2012, P669,286 in 2011 and P663,023 in 2010 which resulted into a capital deficiency of P3,232,073, P3,308,326 and P3,889,040, respectively, as of those dates. For the current and past few years, the Company has not undertaken any investing or operating activity.

The recurring net losses which resulted into a capital deficiency and the inability of the Company to undertake any investing or operating activity in the current and previous years raised substantial doubt about its ability to continue as a going concern. The Company, however, continuously evaluates possible business opportunities, particularly, in engaging to mining activities in the foreseeable future to revitalize its operations. On September 28 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. The mining claims are the subject of an Application for Production Sharing Agreement (APSA) filed by Olympic with the Mines and Geosciences Bureau (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, 2012, the MPSA has not yet been issued by the DENR while the approval of the APSA is still pending with the MGB.

Moreover, the Company intends to convert its Deposits for Future Stock Subscriptions amounting to P3,580,900 into capital stock by 2013 (see Note 5.2).

The financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the recoverability of its assets and settlement 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 (IASB).

The financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. 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 Standard (PAS) 1, *Presentation of Financial Statements*. The Company presents all items of income and expense 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. In 2012, the Company restated its 2011 and 2010 financial statements to reclassify Deposits for Future Stock Subscription to current liability (see Note 5). Accordingly, two comparative periods are presented for the Company's statements of financial position. In this connection, the Company early adopted PAS 1 (Amendment) which no longer requires the related notes on the opening statement of financial position to be presented [see Note 2.2(c)].



(c) *Functional and Presentation Currency*

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

Items included in the financial statements of the Company are measures using its functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

**2.2 Adoption of New and Amended PFRS**

(a) *Effective in 2012 that is Relevant to the Company*

In 2012, the Company adopted the amendment to PFRS 7, *Financial Instruments: Disclosures – Transfers of Financial Assets* (effective from July 1, 2011). The amendment requires additional disclosures that will allow users of financial statements to understand the relationship between transferred financial assets that are not derecognized in their entirety and the associated liabilities; and, to evaluate the nature of, and risk associated with any continuing involvement of the reporting entity in financial assets that are derecognized in their entirety. The Company does not usually enter into this type of arrangement with regard to transfer of financial assets; hence, the amendment did not result in any significant change in the Company's disclosures in its financial statements.

(b) *Effective in 2012 that are not Relevant to the Company*

The following amendments are mandatory for accounting periods beginning on or after July 1, 2011 or January 1, 2012 but are not relevant to the Company's financial statements:

- (i) PAS 12 (Amendment), *Income Taxes – Deferred Taxes: Recovery of Underlying Assets*. The amendment introduces a rebuttable presumption that the measurement of a deferred tax liability or asset that arises from investment property measured at fair value under PAS 40, *Investment Property* should reflect the tax consequence of recovering the carrying amount of the asset entirely through sale. The presumption is rebutted for depreciable investment property (e.g., building) that is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the asset over time, rather than through sale. Moreover, Standing Interpretations Committee (SIC) 21, *Income Taxes – Recovery of Revalued Non-Depreciable Assets*, is accordingly withdrawn and is incorporated under PAS 12 requiring that deferred tax on non-depreciable assets that are measured using the revaluation model in PAS 16, *Property, Plant and Equipment* should always be measured on a sale basis of the asset. The amendment is not relevant to the Company as the Company has no investment properties and property, plant and equipment.

- (ii) PFRS 1 (Amendment), *First-Time Adoption of PFRS* was amended to provide relief for first-time adopters of PFRS from having to reconstruct transactions that occurred before the date of transition to PFRS and to provide guidance for entities emerging from severe hyperinflation either to resume presenting PFRS financial statements or to present PFRS financial statements for the first time. The amendment became effective for annual periods beginning on or after July 1, 2011 but is not relevant to the Company's financial statements.

(c) *Early Adoption of PAS 1 (Amendment)*

In the preparation of the 2012 financial statements, the Company adopted early the amendment made to PAS 1, issued by the FRSC as part of the Annual Improvements to PFRS 2009-2011 Cycle, which will be effective for the annual period beginning on or after January 1, 2013. The amendment clarifies that when an entity applies an accounting policy retrospectively or makes a retrospective restatement or reclassification of items in its financial statements that have a material effect on the information in the statement of financial position at the beginning of the preceding period (i.e., opening statement of financial position), it shall present a third statement of financial position as at the beginning of that preceding period. Other than the disclosures of certain specified information as presented in Note 7, the related notes to the opening statement of financial position are no longer required to be presented.

(d) *Effective Subsequent to 2012 but not Adopted Early*

There are new PFRS, amendments, annual improvements and interpretations to existing standards that are effective for periods subsequent to 2012. Management has initially determined the following pronouncements, which the Company will apply in accordance with their transitional provisions, to be relevant to its financial statements:

- (i) PAS 1 (Amendment), *Financial Statements Presentation – Presentation of Items of Other Comprehensive Income* (effective from July 1, 2012). The amendment requires an entity to group items presented in other comprehensive income into those that, in accordance with other PFRSs: (a) will not be reclassified subsequently to profit or loss and (b) will be reclassified subsequently to profit or loss when specific conditions are met. The Company's management does not expect this amendment to have an impact on the Company's financial statements as the Company does not have transactions recognized in other comprehensive income.

- (ii) PFRS 7 (Amendment), *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities* (effective from January 1, 2013). The amendment requires qualitative and quantitative disclosures relating to gross and net amounts of recognized financial instruments that are set-off in accordance with PAS 32, *Financial Instruments: Presentation*. The amendment also requires disclosure of information about recognized financial instruments which are subject to enforceable master netting arrangements or similar agreements, even if they are not set-off in the statement of financial position, including those which do not meet some or all of the offsetting criteria under PAS 32 and amounts related to a financial collateral. These disclosures will allow financial statement users to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with recognized financial assets and financial liabilities on the entity's financial position. The Company has initially assessed that the adoption of the amendment will not have a significant impact on its financial statements.
- (iii) PFRS 13, *Fair Value Measurement* (effective from January 1, 2013). This standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across PFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. Management is in the process of reviewing its valuation methodologies for conformity with the new requirements and has yet to assess the impact of the new standard on the Company's financial statements.
- (iv) PAS 32 (Amendment), *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities* (effective from January 1, 2014). The amendment provides guidance to address inconsistencies in applying the criteria for offsetting financial assets and financial liabilities. It clarifies that a right of set-off is required to be legally enforceable, in the normal course of business; in the event of default; and in the event of insolvency or bankruptcy of the entity and all of the counterparties. The amendment also clarifies the principle behind net settlement and provided characteristics of a gross settlement system that would satisfy the criterion for net settlement. The Company does not expect this amendment to have a significant impact on its financial statements.
- (v) PFRS 9 *Financial Instruments: Classification and Measurement* (effective from January 1, 2015) to be relevant to the Company and which the Company will apply in accordance with its transitional provisions. This is the first part of a new standard on financial instruments that will replace PAS 39 in its entirety. This chapter covers the classification and measurement of financial assets and financial liabilities and it deals with two measurement categories for financial assets: amortized cost and fair value. All equity instruments will be measured at fair value while debt instruments will be measured at amortized cost only if the entity is holding it to collect contractual cash flows which represent payment of principal and interest. The accounting for embedded derivatives in host contracts that are financial assets is simplified by removing the requirement to consider whether or not they are closely related, and as such, the entity shall apply measurement to the entire hybrid contract, depending on whether the contract is at fair value or amortized cost.

For liabilities, the standard retains most of the PAS 39 requirements which include amortized cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in case where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than in profit or loss, unless this creates an accounting mismatch.

To date, other chapters of PFRS 9 dealing with impairment methodology and hedge accounting are still being completed.

Further, in November 2011, the IASB tentatively decided to consider making limited modifications to International Financial Reporting Standard 9's financial asset classification model to address certain application issues.

The Company does not expect to implement and adopt PFRS 9 until its effective date or until all chapters of this new standard have been published. In addition, management is currently assessing the impact of PFRS 9 on Company's financial statements and is committed to conduct a comprehensive study of the potential impact of this standard in the last quarter of 2014 before its adoption in 2015 to assess the impact of all changes.

### ***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 (FVTPL), 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.

Regular purchases and sales of financial assets are recognized on their trade date. All financial assets that are not classified as at FVTPL are initially recognized at fair value plus any directly attributable transaction costs. Financial assets carried at FVTPL 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 statements 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, discounted at the effective interest rate.

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.

The financial assets are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred.

#### ***2.4 Impairment of Non-financial Assets***

The Company's 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 the cash-generating unit level.

Impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amounts, which is the higher of its fair value less costs to sell and its value in use. In determining value in use, management estimates the expected future cash flows from each cash-generating unit and determines the suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors.

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.

#### ***2.5 Financial Liabilities***

Financial liabilities include Accounts Payable and Accrued Expenses.

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

Accounts payable and accrued expenses are recognized initially at their fair value and subsequently measured at amortized cost, using the effective interest method for maturities beyond one year less settlement payments.

Financial liabilities are classified as current liabilities if payment is due to be settled within one year or less after the end of the reporting period, or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Otherwise, these are presented as non-current liabilities.

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

### ***2.6 Deposits for Future Stock Subscriptions***

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

### ***2.7 Provisions and Contingencies***

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. 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. 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. The increase in the provision due to passage of time is recognized as interest expense. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

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.

### ***2.8 Expense Recognition***

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

## ***2.9 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 accounted for, 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. Unrecognized deferred tax assets are reassessed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will be available to allow such deferred tax assets to be recovered.

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, respectively.

Deferred tax assets and deferred tax liabilities are offset if the Company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same entity and the same taxation authority.

## ***2.10 Related Party Transactions and Relationships***

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. These parties include: (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.

### ***2.11 Capital Deficiency***

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

Additional paid-in capital (APIC) includes any premiums received on the initial issuance of capital stock and subsequent cash infusion from stockholders approved by the BOD to be presented as APIC. Any transaction costs associated with the issuance of shares are deducted from APIC, net of any related income tax benefits.

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

### ***2.12 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 loss per share is presented.

### ***2.13 Events After the Reporting Period***

Any post-year-end event that provides additional information about the Company's financial position at the end of the reporting period (adjusting event) is reflected in the financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when material to the financial statements.

## **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) Determination of 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) Recognition of 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 2.7 and disclosures on relevant provisions and contingencies are presented in Note 9.



(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 2012, 2011 and 2010.

#### 4. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

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

	<u>2012</u>	<u>2011</u>
Accounts payable	P 564,492	P 572,852
Accrued professional fees	<u>137,000</u>	<u>120,000</u>
	<u>P 701,492</u>	<u>P 692,852</u>

Due to their short duration, management considers the carrying amounts of Accounts Payable and Accrued Expenses recognized in the statements of financial position to be reasonable approximation of their fair values.

#### 5. RELATED PARTY TRANSACTIONS

The Company's related parties include its stockholders. The summary of the Company's significant transactions for the years ended December 31, 2012 and 2011 is as follows:

Related Party Category	Note	2012		2011	
		Amount of Transaction	Outstanding Balance	Amount of Transaction	Outstanding Balance
Stockholders:					
Cash infusions (presented as APIC)	5.1	P 750,000	P 2,000,000	P 1,250,000	P 1,250,000
Deposits for future stock subscription	5.2	-	3,580,900	-	3,580,900

### ***5.1 Cash Infusions from Stockholders***

On the following dates, the BOD authorized the acceptance of additional cash infusions from F. Yap Securities, Inc. – In Trust for Various Clients (FYSI), a stockholder, as follows:

<u>Date Authorized</u>		<u>Amount</u>	<u>Month Received</u>
October 24, 2012	P	750,000	October 2012
December 29, 2011		550,000	December 2011
March 16, 2011		420,000	March 2011
January 10, 2011		280,000	January 2011
May 18, 2010		300,000	May 2010
December 18, 2009		350,000	December 2009
November 26, 2008		<u>690,300</u>	December 2008
		<u>P 3,340,300</u>	

Of the total cash infusion received, P1,340,300 was recognized as Deposits for Future Stock Subscriptions (see Note 5.2) and the remaining amount of P2,000,000 was reflected as APIC, P750,000 in 2012 and P1,250,000 in 2011 (see Note 7.2).

### ***5.2 Conversion of Advances from Stockholders***

On September 30, 2008, the Company's BOD approved the conversion of all of its outstanding advances from FYSI and ZHI Holdings, Inc. (ZHIHI) as of that date totaling P2,240,600 (previously presented under Due to Related Parties account) to Deposits for Future Stock Subscriptions.

The aggregate amount of the converted advances from FYSI and ZHIHI and the additional cash infusions made by FYSI (see Note 5.1) totaling P3,580,900 are presented as Deposits for Future Stock Subscriptions in the statements of financial position.

The Company intends to convert the Deposits for Stock Subscriptions into capital stock by 2013.

### ***5.3 Key Management Personnel Compensation***

In 2012, 2011 and 2010, there were no expenses recognized that are related to employee benefits since the Company's finance and administrative activities are being handled by a third party (see Note 1.1).

## **6. INCOME TAXES**

The Company is in tax loss position in 2012 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, 2012 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>
2012	P	673,747	P -	P	673,747	2015
2011		669,286	-		669,286	2014
2010		663,023	-		663,023	2013
2009		<u>621,550</u>	<u>621,550</u>		<u>-</u>	
		<u>P 2,627,606</u>	<u>P 621,550</u>		<u>P 2,006,056</u>	

Management has assessed that the Company may have no sufficient future taxable income to enable it to utilize the benefits of the NOLCO within their prescribed periods. Hence, the related deferred tax assets amounting to P601,817, P586,158 and P584,631 as of December 31, 2012, 2011 and 2010, respectively, have not been recognized in the financial statements.

For the years ended December 31, 2012, 2011, and 2010, 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 gross income in those years.

In 2012, 2011 and 2010, the Company opted to claim itemized deductions in computing for its income tax due.

## 7. CAPITAL DEFICIENCY

### *7.1 Capital Stock*

On May 29, 1991, the SEC issued an Order approving the Registration Statement covering the securities which comprised the Company's entire authorized capital stock. On July 15, 1991, the PSE approved the listing of the Company's shares. The Company offered to the public 25,000,000 shares at an offer price of P2.20 per share.

On January 6, 1997, the SEC approved the increase of the Company's authorized capital stock from P100,000,000 to P3,000,000,000.

As of December 31, 2012 and 2011, the Company has an outstanding capital stock of P2,733,463,907 covering 2,733,463,907 shares, all of which are listed in the PSE. The number of holders and the closing price of the said shares is 820 and P0.34 per share in 2012, respectively, and 823 and P0.75 per share in 2011, respectively.

### *7.2 Additional Paid-in Capital*

In their meetings on October 24, 2012 and December 15, 2011, the Company's BOD authorized the acceptance of additional cash infusion from a stockholder amounting to P750,000 and P1,250,000 to be reflected as part of APIC (see Note 5.1).

### 7.3 Deposits for Future Stock Subscriptions

In 2012, the Company restated its 2011 and 2010 financial statements to appropriately classify, under Current Liabilities, the balance of Deposits for Future Stock Subscriptions as of December 31, 2011 and 2010 amounting to P3,580,900. Previously, these deposits are presented under the Equity section in the 2011 and 2010 statements of financial position.

Presented below are the details of the effect of the restatement made in the statements of financial position as at December 31, 2011 and 2010.

	2011		
	As Previously Reported	Reclassification	As Restated
Change in Liabilities	P 692,852	P 3,580,900	P 4,273,752
Change in Equity (Capital Deficiency)	P 272,574	(P 3,580,900)	(P 3,308,326)
	2010		
	As Previously Reported	Reclassification	As Restated
Change in Liabilities	P 721,831	P 3,580,900	P 4,302,731
Change in Capital Deficiency	(P 308,140)	(P 3,580,900)	(P 3,889,040)

The restatement had no effect on the Company's statements of comprehensive income both in 2011 and 2010.

## 8. LOSS PER SHARE

The basic loss per share is computed as follows:

	2012	2011	2010
Net loss for the year	P 673,747	P 669,286	P 663,023
Divided by the weighted average number of issued and outstanding shares	<u>2,733,463,907</u>	<u>2,733,463,907</u>	<u>2,733,463,907</u>
Loss per share	<u>P 0.00025</u>	<u>P 0.00024</u>	<u>P 0.00024</u>

Diluted earnings per share was not determined because the Company does not have potential dilutive common shares in 2012, 2011 and 2010.

## 9. COMMITMENTS AND CONTINGENCIES

There are commitments and contingencies which are not reflected in the financial statements. As of December 31, 2012, management is of the opinion that losses, if any, that may arise from these commitments and contingencies will not have a material effect on the Company's financial statements.

## 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) 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 10,000,000 common shares within one year from the issuance of the MPSA; and
- (c) Olympic shall have option to subscribe at par, subject to applicable laws, to 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 by the MGB and issuance of the MPSA by the DENR. As of December 31, 2012, the MPSA has not yet been issued by the DENR which the approval of the APSA is still pending with the MGB.

## 11. RISK MANAGEMENT OBJECTIVES AND POLICIES

As of December 31, 2012, the Company is not exposed to any financial risks as it has no significant financial instruments.

### ***11.1 Credit Risk***

The Company's exposure to credit risk is limited to the amount of Cash as shown in 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. Cash in bank is insured by the Philippine Deposit Insurance Corporation up to maximum coverage of P0.5 million for every depositor per banking institution.

### ***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, 2012 and 2011, the Company's maximum liquidity risk is the carrying amount of Accounts payable and Accrued Expenses.

## **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 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 BY THE BUREAU OF INTERNAL REVENUE**

Presented below is the supplementary information which is required by the Bureau of Internal Revenue (BIR) under its existing revenue regulations to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

### ***13.1 Requirements Under Revenue Regulations (RR) 15-2010***

The information on taxes, duties and license fees paid or accrued during the taxable year required under RR 15-2010 are as follows:

#### ***(a) Output VAT***

The Company has no output VAT in 2012 as the Company has not yet started its commercial operations as of December 31, 2012.

#### ***(b) Input VAT***

The movements in input VAT are summarized below.

Balance at beginning of year	P	409,661
Services lodged under other accounts		<u>64,726</u>
Balance at end of year	P	<u>474,387</u>

(c) *Taxes on Importation*

The Company does not have any customs duties and tariff fees paid in 2012 since it did not engage in any importation activities during the year.

(d) *Excise Taxes*

The Company does not have any transactions in 2012 which are subject to excise tax.

(e) *Documentary Stamp Tax*

The Company did not incur any documentary stamp tax in 2012 as it did not execute any documents, instruments, loan agreements and papers evidencing the acceptance, assignment, sale or transfer of an obligation, and any right or property during the year.

(f) *Taxes and Licenses*

The details of Taxes and Licenses account are shown below.

PSE listing fee	P	250,000
Business tax		13,040
Annual registration		500
Miscellaneous		<u>1,600</u>
	P	<u>265,140</u>

(g) *Withholding Taxes*

The tax withheld and remitted for the year ended December 31, 2012 amounted to P12,017, which only pertains to expanded withholding tax.

(h) *Deficiency Tax Assessments and Tax Cases*

As of December 31, 2012, 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 taxable years.

**13.2 Requirements Under RR 19-2011**

RR 19-2011 requires schedules of taxable revenues and other non-operating income, costs of sales and services, and itemized deductions and other significant tax information, to be disclosed in the notes to financial statements.

The amounts of taxable revenues and income, and deductible costs and expenses presented below are based on relevant tax regulations issued by the BIR, hence, may not be the same as the amounts reflected in the 2012 statement of comprehensive income.

(a) *Taxable Revenues*

The Company does not have taxable revenues in 2012.

(b) *Deductible Cost of Sales and Services*

The Company does not have deductible cost of sales and services in 2012.

(c) *Taxable Non-Operating and Other Income*

The Company has does not have taxable non-operating and other income in 2012.

(d) *Itemized Deductions*

The amounts of itemized deductions for the year ended December 31, 2012 are as follows:

Taxes and licenses	P	265,140
Professional fees		214,000
Photocopying and reproduction		73,478
Communication, light and water		26,443
Other services		22,805
Advertising and promotions		12,618
Rental		9,346
Office supplies		1,772
Insurance		1,014
Transportation and travel		1,004
Miscellaneous		<u>46,127</u>
	P	<u>673,747</u>





# Punongbayan & Araullo

An instinct for growth™

## Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Financial Statements

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

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Zeus Holdings, Inc. for the year ended December 31, 2012, on which we have rendered our report dated April 1, 2013. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of Securities Regulation Code Rule 68, 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. 3671455, January 2, 2013, Makati City

SEC Group A Accreditation

Partner - No. 1036-A (until Sept. 29, 2013)

Firm - No. 0002-FR-3 (until Jan. 18, 2015)

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

Firm's BOA/PRC Cert. of Reg. No. 0002 (until Dec. 31, 2015)

April 1, 2013

Zeus Holdings, Inc.  
List of Supplementary Information  
December 31, 2012

Schedule	Content	Page No.
<b>Schedules Required under Annex 68-E of the Securities Regulation Code Rule 68</b>		
A	Financial Assets	
	Financial Assets at Fair Value Through Profit or Loss	*
	Held-to-maturity Investments	*
	Available-for-sale Financial Assets	*
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)	*
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	*
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G	Guarantees of Securities of Other Issuers	*
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	Reconciliation of Retained Earnings Available for Dividend Declaration	*

\* These schedules and supplementary information are not included as these are not applicable to the Company.

\*\*The Company is not part of a group of companies.

Zeus Holdings, Inc.  
SEC Released Amended SRC Rule 68  
Annex 68-F  
Schedule H  
Capital Stock

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common shares - P1 par value	<u>3,000,000,000</u>	<u>2,733,463,907</u>	<u>-</u>	<u>729,377,728</u>	<u>-</u>	<u>2,004,086,179</u>

## Zeus Holdings, Inc.

Schedule of Philippine Financial Reporting Standards and Interpretations  
Adopted by the Securities and Exchange Commission and the  
Financial Reporting Standards Council as of December 31, 2012

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
Framework for the Preparation and Presentation of Financial Statements		✓		
Conceptual Framework Phase A: Objectives and Qualitative Characteristics		✓		
Practice Statement Management Commentary			✓	
<i>Philippine Financial Reporting Standards (PFRS)</i>				
PFRS 1 (Revised)	First-time Adoption of Philippine Financial Reporting Standards	✓		
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters	✓		
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First-time Adopters	✓		
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters	✓		
	Amendments to PFRS 1: Government Loans* (effective January 1, 2013)			✓
PFRS 2	Share-based Payment			✓
	Amendments to PFRS 2: Vesting Conditions and Cancellations			✓
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			✓
PFRS 3 (Revised)	Business Combinations			✓
PFRS 4	Insurance Contracts			✓
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts			✓
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations			✓
PFRS 6	Exploration for and Evaluation of Mineral Resources			✓
PFRS 7	Financial Instruments: Disclosures	✓		
	Amendments to PFRS 7: Transition	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	✓		
	Amendments to PFRS 7: Improving Disclosures about Financial Instruments	✓		
	Amendments to PFRS 7: Disclosures - Transfers of Financial Assets	✓		
	Amendments to PFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities* (effective January 1, 2013)			✓
	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures* (effective January 1, 2015)			✓
PFRS 8	Operating Segments			✓
PFRS 9	Financial Instruments (effective January 1, 2015)			✓
	Amendments to PFRS 9: Mandatory Effective Date of PFRS 9 and Transition Disclosures* (effective January 1, 2015)			✓
PFRS 10	Consolidated Financial Statements* (effective January 1, 2013)			✓
	Amendments to PFRS 10: Transition Guidance* (effective January 1, 2013)			✓
	Amendments to PFRS 10: Investment Entities* (effective January 1, 2013)			✓
PFRS 11	Joint Arrangements* (effective January 1, 2013)			✓
	Amendments to PFRS 11: Transition Guidance* (effective January 1, 2013)			✓
PFRS 12	Disclosure of Interests in Other Entities* (effective January 1, 2013)			✓
	Amendments to PFRS 12: Transition Guidance* (effective January 1, 2013)			✓
	Amendments to PFRS 12: Investment Entities* (effective January 1, 2013)			✓
PFRS 13	Fair Value Measurement* (effective January 1, 2013)			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
<i>Philippine Accounting Standards (PAS)</i>				
PAS 1 (Revised)	Presentation of Financial Statements	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation	✓		
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income	✓		
PAS 2	Inventories			✓
PAS 7	Statement of Cash Flows	✓		
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	✓		
PAS 10	Events after the Reporting Period	✓		
PAS 11	Construction Contracts			✓
PAS 12	Income Taxes	✓		
	Amendment to PAS 12 - Deferred Tax: Recovery of Underlying Assets	✓		
PAS 16	Property, Plant and Equipment			✓
PAS 17	Leases	✓		
PAS 18	Revenue	✓		
PAS 19	Employee Benefits			✓
	Amendments to PAS 19: Actuarial Gains and Losses, Group Plans and Disclosures			✓
PAS 19 (Revised)	Employee Benefits* ( <i>effective January 1, 2013</i> )			✓
PAS 20	Accounting for Government Grants and Disclosure of Government Assistance			✓
PAS 21	The Effects of Changes in Foreign Exchange Rates	✓		
	Amendment: Net Investment in a Foreign Operation	✓		
PAS 23 (Revised)	Borrowing Costs			✓
PAS 24 (Revised)	Related Party Disclosures	✓		
PAS 26	Accounting and Reporting by Retirement Benefit Plans			✓
PAS 27	Consolidated and Separate Financial Statements			✓
	Amendments to PFRS 1 and PAS 27: Cost of an Investment in Subsidiary, Jointly Controlled Entity or Associate			✓
PAS 27 (Amended)	Separate Financial Statements* ( <i>effective January 1, 2013</i> )			✓
	Amendments to PAS 27 (Amended): Investment Entities* ( <i>effective January 1, 2013</i> )			✓
PAS 28	Investments in Associates			✓
PAS 28 (Amended)	Investments in Associates and Joint Ventures* ( <i>effective January 1, 2013</i> )			✓
PAS 29	Financial Reporting in Hyperinflationary Economies			✓
PAS 31	Interests in Joint Ventures			✓
PAS 32	Financial Instruments: Presentation	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation	✓		
	Amendment to PAS 32: Classification of Rights Issues	✓		
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities* ( <i>effective January 1, 2014</i> )			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
PAS 33	Earnings per Share	✓		
PAS 34	Interim Financial Reporting			✓
PAS 36	Impairment of Assets	✓		
PAS 37	Provisions, Contingent Liabilities and Contingent Assets	✓		
PAS 38	Intangible Assets	✓		
PAS 39	Financial Instruments: Recognition and Measurement	✓		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities	✓		
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions	✓		
	Amendments to PAS 39: The Fair Value Option	✓		
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets – Effective Date and Transition	✓		
	Amendments to Philippine Interpretation IFRIC 9 and PAS 39: Embedded Derivatives	✓		
	Amendment to PAS 39: Eligible Hedged Items	✓		
PAS 40	Investment Property			✓
PAS 41	Agriculture			✓
<i>Philippine Interpretations - International Financial Reporting Interpretations Committee (IFRIC)</i>				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities**			✓
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			✓
IFRIC 4	Determining Whether an Arrangement Contains a Lease			✓
IFRIC 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds**			✓
IFRIC 6	Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment			✓
IFRIC 7	Applying the Restatement Approach under PAS 29, Financial Reporting in Hyperinflationary Economies			✓
IFRIC 9	Reassessment of Embedded Derivatives**	✓		
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives**	✓		
IFRIC 10	Interim Financial Reporting and Impairment	✓		
IFRIC 12	Service Concession Arrangements			✓
IFRIC 13	Customer Loyalty Programmes			✓
IFRIC 14	PAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction			✓
	Amendments to Philippine Interpretations IFRIC - 14, Prepayments of a Minimum Funding Requirement and their Interaction			✓
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			✓
IFRIC 17	Distributions of Non-cash Assets to Owners**			✓
IFRIC 18	Transfers of Assets from Customers**			✓
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments**	✓		
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine* (effective January 1, 2013)			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS		Adopted	Not Adopted	Not Applicable
<i>Philippine Interpretations - Standing Interpretations Committee (SIC)</i>				
SIC-7	Introduction of the Euro			✓
SIC-10	Government Assistance - No Specific Relation to Operating Activities			✓
SIC-12	Consolidation - Special Purpose Entities			✓
	Amendment to SIC - 12: Scope of SIC 12			✓
SIC-13	Jointly Controlled Entities - Non-Monetary Contributions by Venturers			✓
SIC-15	Operating Leases - Incentives	✓		
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders**	✓		
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	✓		
SIC-29	Service Concession Arrangements: Disclosures			✓
SIC-31	Revenue - Barter Transactions Involving Advertising Services**			✓
SIC-32	Intangible Assets - Web Site Costs**			✓

\* These standards will be effective for periods subsequent to 2012 and are not early adopted by the Company.

\*\* These standards have been adopted in the preparation of financial statements but the Company has no significant transactions covered in both years presented.

ZEUS HOLDINGS, INC.  
SCHEDULE OF FINANCIAL INDICATORS

<u>Financial Information</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Current Assets	1,050,319	965,426	413,691
Total Assets	1,050,319	965,426	413,691
Average Assets	1,007,872	689,559	206,846
Current Liabilities	4,282,392	4,273,752	4,302,731
Total Liabilities	4,282,392	4,273,752	4,302,731
Capital Deficiency	(3,232,073)	(3,308,326)	(3,889,040)
Average Equity	(3,270,200)	(3,598,683)	(3,557,529)
Revenues	-	-	-
Cost and expenses	673,747	669,286	663,023
Net Income (Loss)	(673,747)	(669,286)	(663,023)

	<u>2012</u>	<u>2011</u>	<u>2010</u>
<sup>1</sup> Liquidity Ratio	0.25	0.23	0.10
<sup>2</sup> Debt to Equity Ratio	(1.32)	(1.29)	(1.11)
<sup>3</sup> Asset to Equity Ratio	(0.32)	(0.29)	(0.11)
<sup>4</sup> Return on Assets	(0.67)	(0.97)	(3.21)
<sup>5</sup> Return on Equity	0.21	0.19	0.19
<sup>6</sup> Cost to Income Ratio	na	na	na

<sup>1</sup> *Current Assets over Current Liabilities*

<sup>2</sup> *Total Liabilities over Equity*

<sup>3</sup> *Total Assets over Equity*

<sup>4</sup> *Net Income over Average Assets*

<sup>5</sup> *Net Income over Average Equity*

<sup>6</sup> *Cost and Expenses over Revenues*



20<sup>th</sup> Floor LKG Tower, 6801 Ayala Avenue, Makati City

**SEC**  
Central Recording and Records Division  
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RECEIVED SUBJECT TO REVIEW OF  
FORM AND CONTENTS

ATTY. DEAN R. AGOSTINI, JR.  
 NOTARY PUBLIC  
 UNTIL DECEMBER 31, 2013  
 PTR NO. 0285534 / 0285534-0015 A  
 IBP NO. 878802 / 878802-0001  
 ROLL NO. 24055 / TIR 444-00068  
 MCLE III - 0013521  
 Com. No. 2013 - 023

## 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: Holding Company

PSIC:

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

Table 1. Balance Sheet

FINANCIAL DATA	2012 (in P'000)	2011 (in P'000)
<b>A. ASSETS (A.1 + A.2 + A.3 + A.4 + A.5 + A.6 + A.7 + A.8 + A.9 + A.10)</b>	<b>1,050</b>	<b>965</b>
<b>A.1 Current Assets (A.1.1 + A.1.2 + A.1.3 + A.1.4 + A.1.5)</b>	<b>576</b>	<b>556</b>
<b>A.1.1 Cash and cash equivalents (A.1.1.1 + A.1.1.2 + A.1.1.3)</b>	<b>576</b>	<b>556</b>
A.1.1.1 On hand		
A.1.1.2 In domestic banks/entities	576	556
A.1.1.3 In foreign banks/entities		
<b>A.1.2 Trade and Other Receivables (A.1.2.1 + A.1.2.2)</b>		
<b>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)</b>		
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)		
<b>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)</b>		
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)		
<b>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)</b>		
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		
<b>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)</b>		
<b>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)</b>		
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		
<b>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)</b>		
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: Holding Company

PSIC:

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

Table 1. Balance Sheet

FINANCIAL DATA	2012 (In P'000)	2011 (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)	474	410
A.1.5.1 Prepaid insurance		
A.1.5.2 Input tax	474	410
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

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

TEL. NO.: 884-1106

FAX NO.: 884-1409

COMPANY TYPE: Holding Company

PSIC:

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

Table 1. Balance Sheet

FINANCIAL DATA	2012 (In P'000)	2011 (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)	4,282	4,274
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)	4,282	4,274
B.1.1 Trade and Other Payables to Domestic Entities (B.1.1.1 + B.1.1.2 + B.1.1.3 + B.1.1.4 + B.1.1.5 + B.1.1.6)	701	693
B.1.1.1 Loans/Notes Payables		
B.1.1.2 Trade Payables	561	573
B.1.1.3 Payables to Related Parties		
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)	141	120
B.1.1.5.1 Audit fee	130	120
B.1.1.5.2 Legal fee	7	
B.1.1.5.3 Others	4	
B.1.1.6 Others, specify (B.1.1.6.1 + B.1.1.6.2 + B.1.1.6.3)	-	-
B.1.1.6.1 Accounts Payables	-	-
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)	3,581	3,581
B.1.7.1 Dividends declared and not paid at balance sheet date		
B.1.7.2 Accruals 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:	3,581	3,581
B.1.7.6.1 Deposit for future stock subscription	3,581	3,581
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: Holding Company

PSIC:

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

Table 1. Balance Sheet

FINANCIAL DATA	2012 (in P'000)	2011 (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)	(3,232)	(3,308)
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		
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)	2,733,464	2,733,464
C.3.1 Common shares	2,733,464	2,733,464
C.3.2 Preferred Shares		
C.4 Additional Paid-in Capital / Capital in excess of par value / Paid-in Surplus	35,394	34,644
C.5 Minority Interest		
C.6 Others, specify (C.6.1 + C.6.2 + C.6.3)		
C.6.1		
C.6.2		
C.6.3		
C.7 Appraisal Surplus/Revaluation Increment in Property/Revaluation Surplus		
C.8 Retained Earnings (C.8.1 + C.8.2)	(2,772,090)	(2,771,416)
C.8.1 Appropriated		
C.8.2 Unappropriated	(2,772,090)	(2,771,416)
C.9 Head / Home Office Account (for Foreign Branches only)		
C.10 Cost of Stocks Held in Treasury (negative entry)		
TOTAL LIABILITIES AND EQUITY (B + C)	1,050	965

## 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: Holding Company

PSIC:

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

Table 2. Income Statement

FINANCIAL DATA	2012 (in P'000)	2011 (in P'000)
<b>A. REVENUE / INCOME (A.1 + A.2 + A.3+A.4)</b>		-
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>B. COST OF GOODS SOLD (B.1 + B.2 + B.3)</b>		-
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)		
<b>C. COST OF SALES (C.1 + C.2 + C.3)</b>		-
C.1 Purchases		-
C.2 Merchandise Inventory, Beginning		-
C.3 Merchandise Inventory, End (negative entry)		-
<b>D. GROSS PROFIT (A - B - C)</b>		-

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

Control No.:

Form Type:

PHFS (rev 2006)

## 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: Holding Company

PSIC:

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

Table 2. Income Statement

FINANCIAL DATA	2012 (In P'000)	2011 (In P'000)
<b>E. OPERATING EXPENSES (E.1 + E.2 + E.3 + E.4)</b>	674	669
E.1 Selling or Marketing Expenses		
E.2 Administrative Expenses		
E.3 General Expenses	674	669
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		
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		
<b>F. FINANCE COSTS (F.1 + F.2 + F.3 + F.4 + F.5)</b>		
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		
<b>G. NET INCOME (LOSS) BEFORE TAX (D - E - F)</b>	(674)	(669)
<b>H. INCOME TAX EXPENSE (negative entry)</b>		
<b>I. INCOME(LOSS) AFTER TAX</b>	(674)	(669)
<b>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)</b>		
J.1		
J.2		
<b>K. PROFIT OR LOSS ATTRIBUTABLE TO MINORITY INTEREST</b>		
<b>L. PROFIT OR LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		
<b>M. EARNINGS (LOSS) PER SHARE</b>		
M.1 Basic	(0.00025)	(0.00024)
M.2 Diluted	-	-

## 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 Holding Company

PSIC:

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

Table 3. Cash Flow Statements

FINANCIAL DATA	2012 (In P'000)	2011 (In P'000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income (Loss) Before Tax and Extraordinary Items	(674)	(669)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Depreciation		
Amortization, specify:		
Others, specify:		
Write-down of Property, Plant, and Equipment		
Changes in Assets and Liabilities:		
Decrease (Increase) in:		
Receivables		
Inventories		
Other Current Assets	(65)	(63)
Others, specify:		
Increase (Decrease) in:		
Trade and Other Payables	9	(29)
Income and Other Taxes Payable		
Others, specify:		
<b>A. Net Cash Provided by (Used in) Operating Activities (sum of above rows)</b>	<b>(730)</b>	<b>(762)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Increase) Decrease in Amounts owed by related parties		
(Increase) Decrease in Other noncurrent assets		
Reductions/(Additions) to Property, Plant, and Equipment		
Others, specify:		
<b>B. Net Cash Provided by (Used in) Investing Activities (sum of above rows)</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from:		
Loans		
Long-term Debt		
Issuance of Securities		
Others, specify:		
Cash Infusion received	750	1,250
Payments of:		
(Loans)		
(Long-term Debt)		
(Stock Subscriptions)		
Others, specify (negative entry):		
<b>C. Net Cash Provided by (Used in) Financing Activities (sum of above rows)</b>	<b>750</b>	<b>1,250</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>20</b>	<b>488</b>
Cash and Cash Equivalents		
Beginning of year	556	68
End of year	576	556

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: Holding Company

PSIC: \_\_\_\_\_

*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	Deposit for future stock subscription	Translation Differences	Retained Earnings	TOTAL
<b>A. Balance, 2010</b>	2,733,464	33,394	-	-	(2,770,747)	(3,889)
A.1 Correction of Error (s)						
A.2 Changes in Accounting Policy						
<b>B. Restated Balance</b>	2,733,464	33,394	-	-	(2,770,747)	(3,889)
<b>C. Surplus</b>						
C.1 Surplus (Deficit) on Revaluation of						
C.2 Surplus (Deficit) on Revaluation of						
C.3 Currency Translation Differences						
C.4 Other Surplus (specify)						
C.4.1 Additional paid-in capital		1,250				1,250
C.4.2						
C.4.3						
C.4.4						
C.4.5						
<b>D. Net Income (Loss) for the Period</b>					(669)	(669)
<b>E. Dividends (negative entry )</b>						
<b>F. Appropriation for (specify)</b>						
F.1						
F.2						
F.3						
F.4						
FM.5						
<b>G. Issuance of Capital Stock</b>						
G.1 Common Stock						
G.2 Preferred Stock						
G.3 Others						
<b>H. Balance, 2011</b>	2,733,464	34,644	-	-	(2,771,416)	(3,308)
H.1 Correction of Error (s)						
H.2 Changes in Accounting Policy						
<b>I. Restated Balance</b>	2,733,464	34,644	-	-	(2,771,416)	(3,308)
<b>J. Surplus</b>						
J.1 Surplus (Deficit) on Revaluation of						
J.2 Surplus (Deficit) on Revaluation of						
J.3 Currency Translation Differences						
J.4 Other Surplus (specify)						
J.4.1 Additional paid-in capital		750				750
J.4.2						
J.4.3						
J.4.4						
J.4.5						
<b>K. Net Income (Loss) for the Period</b>					(674)	(674)
<b>L. Dividends (negative entry )</b>						
<b>M. Appropriation for (specify)</b>						
M.1						
M.2						
M.3						
M.4						
M.5						
<b>N. Issuance of Capital Stock</b>						
G.1 Common Stock						
G.2 Preferred Stock						
G.3 Others						
<b>O. Balance, 2012</b>	2,733,464	35,394	-	-	(2,772,090)	(3,232)