COVER SHEET

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S.E.C. Registration Number

ZEUS HOLDINGS, INC.

(Company's Full Name)

21ST FLOOR, LEPANTO BLDG. 8747
PASEO DE ROXAS, MAKATI CITY

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

ODETTE A. JAVIER	815-9447
Contact Person	Company Telephone Number

1 2	3 1	Quarterly Report SEC 17Q	Any day in June (Month) (Day)
Month	Day	FORM TYPE	Month / Day
Fiscal Year			Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total no. of Stockholders

Domestic

Foreign

- -

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

Remarks = please use **black ink** for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **30 June 2022**

2. Commission identification number **102415** 3. BIR Tax Identification No **000-056-514**

ZEUS HOLDINGS, INC.

4. Exact name of issuer as specified in its charter

Metro Manila, Philippines

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

20/F, Lepanto Bldg., 8747 Paseo de Roxas, Makati City **1226**

7. Address of issuer's principal office Postal Code

(02) 815-9447

8. Issuer's telephone number, including area code

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA *(as of 30 September 2015)*

Title of each Class	**Number of shares of common stock outstanding and amount of debt outstanding**
Common	2,737,044,807
Outstanding Loans	nil

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

Yes [X] No [ ]

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

Philippine Stock Exchange **Common**

12. Indicate by check mark whether the registrant:

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

Yes [X] No [ ]

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

Yes [X] No [ ]

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

(Please see attached unaudited financial statements)

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

As of 30 June 2022, total assets stood at P632,684 which is 30% higher from 31 December 2021.
Input Value-Added-Tax increased in connection with the PSE listing fee & audit fee. Decrease in accounts payable and accrued expenses is due to settlement of accounts.

During the quarter, the Company recorded a net loss of P152,485, which is 39% higher compared to last year's P109,975 due to higher administrative expenses for the period. For the six month period, net loss totaled P542,155 compared with last year's P490,079.

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

Ratios	Formula	30-June-22	30-June-21	31-December-21
Current Ratio	Current assets/ Current liabilities	4.13 632,684 / 153,100	11.68 541,919/ 46,387	1.98 487,319 / 245,580
Debt to Equity Ratio	Total liabilities/ Stockholders' equity	0.32 153,100/ 479,584	0.09 46,387/ 495,532	1.02 245,580 / 241,739
Capital Adequacy Ratio	Stockholders' equity/ Total assets	0.76 479,584 / 632,684	0.91 495,532 / 541,919	0.50 241,739 / 487,319
Book value per share	Stockholders' equity/ Total # of shares	0.00018 479,584 / 2,737,044,807	0.00018 495,532 / 2,737,044,807	0.00009 241,739 / 2,737,044,807
Loss per Share	Net loss/ Total # of shares	-0.00020 542,155 / 2,737,044,807	-0.00018 490,079 / 2,737,044,807	-0.00034 -943,872 / 2,737,044,807

Current Ratio shows the Company's ability to meet its short term financial obligation. As of 30 June 2022, the Company has P4.13 worth of current assets for every one-peso liability, which is lower than last year's P11.68.

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. As of 30 June 2022, the Company has a positive ratio of P0.32.

Capital Adequacy Ratio is computed by dividing the total Stockholder's Equity over Total Assets. It measures the financial strength of the Company. As of 30 June 2022, the Company's Capital Adequacy Ratio increased to positive 0.76.

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 0.00018 as of 30 June 2022.

Loss Per Share is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 30 June 2022, the Company's loss per share is negative 0.00020.

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

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

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

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

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

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

(iv) *Material Commitment for Capital Expenditure*

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

(v) *Others*

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

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

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

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

SIGNATURES

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

Issuer:

ZEUS HOLDINGS, INC.
By:

ODETTE A. JAVIER
Corporate Secretary
Date: 10 Aug. 2022

MA. LOURDES B. TUASON
Treasurer
Date: 10 Aug. 2022

ZEUS HOLDINGS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND DECEMBER 31, 2021
(Amounts in Philippine Peso)

	UNAUDITED JUNE 2022	AUDITED DECEMBER 2021
ASSETS		
CURRENT ASSETS		
Cash	**187,333**	89,172
Input Value Added Tax	**445,351**	398,147
TOTAL ASSETS	**632,684**	487,319
LIABILITY AND EQUITY		
CURRENT LIABILITY		
Accounts Payable and accrued expenses	**153,100**	245,580
Total Current Liability	**153,100**	245,580
EQUITY		
Capital Stock	**2,737,044,807**	2,737,044,807
Additional paid-in capital	**42,558,941**	41,778,941
Deficit	**(2,779,124,164)**	(2,778,582,009)
Total Equity	**479,584**	241,739
TOTAL LIABILITY AND EQUITY	**632,684**	487,319

ZEUS HOLDINGS, INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED JUNE 30, 2022 AND 2021
(Amounts in Philippine Peso)

	Three Months Period Ended		Six Months Period Ended	
	June 2022	June 2021	**June 2022**	June 2021
OPERATING EXPENSES				
Taxes and Licenses	**7,575**	(2,000)	**26,529**	16,654
Professional Fees	**102,500**	102,500	**205,000**	205,000
Insurance	**-**	-	**900**	900
Listing Fee	**-**	3,000	**250,000**	253,000
Transportation and travel	**6,375**	6,375	**12,750**	12,750
Notarial Fee	**700**	100	**1,150**	300
Stockholder's Meetings & Other	**35,260**	-	**35,260**	1,400
Bank Charges	**75**	-	**150**	75
Other Operating Expenses	**-**	-	**10,416**	-
NET LOSS FOR THE PERIOD	**152,485**	109,975	**542,155**	490,079
OTHER COMPREHENSIVE INCOME	-	-	-	0
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**152,485**	109,975	**542,155**	490,079
Loss Per Share	**0.00006**	0.00004	**0.00020**	0.00018

Loss per share is determined by dividing net loss by 2,737,044,807 shares issued and outstanding.

ZEUS HOLDINGS, INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED JUNE 30, 2022 AND 2021
(Amounts in Philippine Peso)

	June 2022	June 2021
CAPITAL STOCK		
Balance, beginning of year	**2,737,044,807**	2,737,044,807
Issuance of shares	**-**	-
Balance, end of the period	**2,737,044,807**	2,737,044,807
ADDITIONAL PAID-IN CAPITAL		
Balance, beginning of year	**41,778,941**	40,778,941
Addition during the period	**780,000**	800,000
Balance, end of the period	**42,558,941**	41,578,941
DEFICIT		
Balance, beginning of year	**(2,778,582,009)**	(2,777,638,137)
Net Loss for the period	**(542,155)**	(490,079)
Balance, end of the period	**(2,779,124,164)**	(2,778,128,216)
TOTAL EQUITY	**479,584**	495,532

ZEUS HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED JUNE 30, 2022 AND 2021
(Amounts in Philippine Peso)

	June 2022	June 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	**(542,155)**	(490,079)
Working Capital changes:		
Increase in other current assets	**(47,204)**	(53,929)
Increase in accounts payable and accrued expenses	**(92,480)**	(184,191)
Net Cash Used in Operating Activities	**(681,839)**	(728,199)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash infusion received from stockholders	**780,000**	800,000
NET INCREASE (DECEREASE) IN CASH	**98,161**	71,801
CASH AT BEGINNING OF THE PERIOD	**89,172**	87,967
CASH AT END OF THE PERIOD	**187,333**	159,768

ZEUS HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
(Amounts in Philippine Pesos)

1. GENERAL INFORMATION

1.1 Corporate Information

Zeus Holdings, Inc. (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on December 17, 1981 to engage in the purchase and sale of investments. The Company has no commercial operations as of December 31, 2021.

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

The Company's registered office address, which is also its principal place of business, is located at 21/F, Lepanto Building, 8747 Paseo de Roxas, Barangay Bel-Air, Makati City.

1.2 Status of Operations

The recurring net losses and the inability of the Company to undertake any investing or operating activity in the current and previous years indicate that a material uncertainty exists that may cast significant doubt in the Company's ability to continue as a going concern. The Company, however, continuously evaluates possible business opportunities, particularly, in engaging in mining activities in the foreseeable future to revitalize its operations. On September 28 and November 28, 2007, the Board of Directors (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 Note 10). As at June 30, 2022, the MPSA has not yet been issued by the DENR while the approval of the APSA is still pending with the MGB.

The financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business. Accordingly, these financial statements do not include any adjustments on the recoverability and reclassifications of the remaining assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

1.3 Impact of COVID-19 Pandemic on the Company's Business

The COVID-19 pandemic started to become widespread in the Philippines in early March 2020 and its impact has been continuing until the date of the approval of these financial statements. The measures taken by the government to contain the virus have affected economic conditions and resulted in business disruptions. This situation ensued as of December 31, 2021 and thereafter.

While the unfavorable situation is currently expected to be temporary, management has assessed that such does not have a significant to the Company as it did not have significant business operations and has no employee for the current reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below and in the succeeding pages. 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

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

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, expense and other comprehensive income in a single statement of comprehensive income.

The Company presents a third statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position as at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

(c) Functional and Presentation Currency

These financial statements are presented in Philippine pesos, the Company's functional [see Note 3.1(a)] and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the Company are measured 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 2021 that are Relevant to the Company

There are no new and amended standards effective in 2021 that is applicable for the Company.

(b) Effective Subsequent to 2021 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to 2021, which are adopted by the FRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, none of these are expected to have significant impact on the Company's financial statements:

(i) PAS 37 (Amendments), *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract* (effective from January 1, 2022)

(ii) Among the improvements, only the PFRS 9 (Amendments), *Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Liabilities* which are effective from January 1, 2022 are relevant to the Company.

(iii) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current* (effective from January 1, 2023)

(iv) PAS 1 (Amendments), *Presentation of Financial Statements – Disclosure of Accounting Policies* (effective from January 1, 2023)

(v) PAS 8 (*Amendments*), *Accounting Estimates – Definition of Accounting Estimates* (effective from January 1, 2023)

(vi) PAS 12 (Amendments), *Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction* (effective from January 1, 2023)

2.3 Financial Instruments

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the financial instrument.

(a) *Financial Assets*

For purposes of classifying financial assets, an instrument is considered as an equity instrument if it is non-derivative and meets the definition of equity for the issuer in accordance with the criteria of PAS 32, *Financial Instruments: Presentation*. All other non-derivative financial instruments are treated as debt instruments.

(i) Classification and Measurement of Financial Assets

The classification and measurement of financial assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The classification and measurement of the Company's financial assets are described below.

Financial Assets at Amortized Cost

Financial assets are measured at amortized cost if both of the following conditions are met:

- the asset is held within the Company's business model whose objective is to hold financial assets in order to collect contractual cash flows ("hold to collect"); and,

- the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Except for receivables, if any, that do not contain a significant financing component and are measured at the transaction price in accordance with PFRS 15, *Revenue from Contracts with Customers,* all financial assets meeting these criteria are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less allowance for expected credit loss (ECL).

The Company's only financial asset at amortized cost is presented in the statement of financial position as Cash. Cash is defined as demand deposits maintained in a local bank. These deposits earn interest based on daily bank deposit rates and are subject to insignificant risk of changes in value.
Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets except for those that are subsequently identified as credit-impaired. For credit-impaired financial assets at amortized cost, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance). Any interest earned is recognized in the statement of comprehensive income.

(ii) Impairment of Financial Assets

At the end of the reporting period, the Company assesses its ECL on a forward-looking basis associated with its financial assets carried at amortized cost. Recognition of credit losses is no longer dependent on the Company's identification of a credit loss event. Instead, the Company considers a broader range of information in assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets.

The Company applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for financial assets at amortized cost. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Company uses its historical experience, external indicators and forward-looking information.

The key elements used in the calculation of ECL are as follows:

- *Probability of default* – It is an estimate of likelihood of default over a given time horizon, ither over the next 12 months or the remaining lifetime of the obligation.

- *Loss given default* – It is an estimate of loss arising in case where a default occurs at a given time. It is based on the difference between the contractual cash flows of a financial due from a counterparty and those that the Company would expect to receive, including the realization of any collateral or any credit enhancement.

- *Exposure at default* – It represents the gross carrying amount of the financial instruments subject to the impairment calculation.

As of December 31, 2021, management has not recognized any expected credit losses since management's only financial asset is cash.

(iii) Derecognition of Financial Assets

The financial assets (or where applicable, a part of a financial asset or part of a group of 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 to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

(b) Financial Liabilities

Financial liabilities, which pertain to accounts payable and accrued expenses, except tax related liabilities, are recognized when the Company becomes a party to the contractual terms of the instrument. All interest-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 values 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. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

(c) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the resulting net amount, considered as a single financial asset or financial liability, is reported in the statement of financial position when the Company currently has legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and, must be legally enforceable for both entity and all counterparties to the financial instruments.

2.4 Other Assets

Other current assets which are non-financial assets, pertain to other resources controlled by the Company as a result of past events. They are recognized in the financial statements when it is probable that the future economic benefits will flow to the Company and the asset has a cost or value that can be measured reliably.

Other recognized assets of similar nature, where future economic benefits are expected to flow to the Company beyond one year after the end of the reporting period or in the normal operating cycle of the business, if longer, are classified as non-current 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.

Impairment loss is recognized in profit or loss for the amount by which the asset'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. An impairment loss is reversed if the asset's or cash generating unit's recoverable amount exceeds its carrying amount.

2.5 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 obligation 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. When 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 case 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.

2.6 Expense Recognition

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

2.7 Income Taxes

Current tax assets or current tax 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 using 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 current tax 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.

Deferred tax assets and deferred tax 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 period.

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.

The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Most changes in deferred tax assets or deferred tax liabilities are recognized as a component of tax expense in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

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.

2.8 Related Party Relationships and Transactions

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

Based on the requirement of SEC Memorandum Circular No. 2019-60, *Rules of Material Related Party Transactions for Publicly Listed Companies*, transactions meeting the materiality threshold but not share transactions, such but not limited to dividends, repurchase, and right offerings are considered material.

All individual material related party transactions shall be approved by at least two-thirds vote of the board of directors, provided that both independent directors of the Company are present in the meeting and that if the related party(ies) are board members, the board member shall abstain from participating in discussions and voting to approve the material related party transactions.

2.9 Equity

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 the profit or loss section of the statement of comprehensive income.

2.10 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.

2.11 Events After the End of 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 preparation of the Company's financial statements in accordance with PFRS requires 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.

3.1 Critical Management Judgments in Applying Accounting Policies

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 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 provisions and contingencies are discussed in Note 2.5 and relevant disclosures are presented in Note 9.

3.2 Key Sources of Estimation Uncertainty

Presented below and on the succeeding page are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Determination of Realizable Amount of Deferred Tax Assets

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the Company may not have sufficient future taxable profits against which its deferred tax from minimum corporate income tax can be utilized within the prescribed period. Accordingly, the Company did not recognize the deferred tax assets as of December 31, 2021 and 2020 (see Note 6).

(b) 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.

4. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

The composition of this account is as follows.

		June 2022		June 2021
Accounts payable	**P**	**37,450**	P	37,450
Accrued expenses		**112,650**		5,937
Withholding tax payable		**3,000**		3,000
	P	**153,100**	P	46,387

Accrued expenses represent unpaid professional fees. 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 transactions with related parties are shown in the succeeding page.

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 shown on the succeeding page.

Date Authorized		Amount	Month Received
June 13, 2022	P	300,000	June 2022
January 13, 2022		280,000	January 2022
January 21, 2022		200,000	January 2022
October 28, 2021		200,000	October 2021
June 30, 2021		350,000	June 2021
January 20, 2021		450,000	January 2021
July 3, 2020		250,000	July 2020
January 14, 2020		295,000	January 2020
July 11, 2019		185,000	July 2019
May 22, 2019		150,000	May 2019
March 20, 2019		175,000	March 2019
January 21, 2019		300,000	January 2019
June 6, 2018		80,000	June 2018
June 5, 2018		200,000	June 2018
January 31, 2018		200,000	January 2018
January 8, 2018		200,000	January 2018
August 18, 2017		100,000	August 2017
May 26, 2017		200,000	May 2017
March 23, 2017		150,000	March 2017
January 18, 2017		350,000	January 2017
January 11, 2016		250,000	June 2016

January 11, 2016	100,000	April 2016
January 11, 2016	300,000	January 2016
September 24, 2014	1,000,000	September 2014
September 4, 2013	900,000	September 2013
October 24, 2012	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	690,300	December 2008
	P 10,505,300	

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 P8,865,000 was reflected as part of APIC, P780,000 in 2022, P1,000,000 in 2021, P545,000 in 2020, P810,000 in 2019, P680,000 in 2018, P800,000 in 2017, P650,000 in 2016, P1,000,000 in 2014, P900,000 in 2013, P750,000 in 2012, and P1,250,000 in 2011 (see Note 7.2).

5.2 Conversion of Advances from Stockholders and Application of Deposits for Future Stock Subscriptions

On September 30, 2008, the Company's BOD approved the conversion of all of its outstanding advances from stockholders, 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.

In 2013, the amount of the converted advances from FYSI and ZHIHI and portion of the cash infusions made by FYSI (see Note 5.1) totaling P3,580,900 are converted to equity (see Note 7.1).

5.3 Key Management Personnel Compensation

As of June 30, 2022, there were no expenses recognized that are related to employee benefits since the Company's finance and administrative functions are being handled by a third party.

6. EQUITY

6.1 Capital Stock

The Company has 3,000,000,000 shares of authorized capital with par value of P1.00 per share.

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.

On August 6, 2013, 3,580,900 shares were issued at an issue price of P1.00 per share as a result of the application of Deposits for Future Stocks Subscriptions (see Note 5.2).

As of June 30, 2022, the Company has an outstanding capital stock of P2,737,044,807 covering 2,737,044,807 shares, of which 2,733,463,907 are listed in the PSE. The number of holders and the closing price of the said shares is 823 and P0.18 per share in 2021.

6.2 Additional Paid-in Capital

In their meetings held on January 17, 2022, the Company's BOD authorized the acceptance of additional cash infusion from a stockholder amounting to 780,000 which was reflected as part of APIC (see Note 5.1).

7. LOSS PER SHARE

The basic loss per share is computed as follows:

	June 2022	June 2021
Net loss for the year	**P 542,155**	P 490,079
Divided by the weighted average number of issued and outstanding shares	**2,737,044,807**	2,737,044,807
Loss per share	**P 0.00020**	P 0.00018

Diluted earnings per share was not determined because the Company does not have potentially dilutive common shares as of June 30, 2022 and 2021

8. COMMITMENTS AND CONTINGENCIES

There are commitments and contingencies that arise in the normal course of the Company's operations which are not reflected in the financial statements. As of June 30, 2022, management is of the opinion that losses may arise from these commitments and contingencies will not have a material effect on the Company's financial statements.

9. OPERATING AGREEMENT WITH OLYMPIC

Pursuant to the operating agreement with Olympic as mentioned in Note 1.2, 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 provisions shown below and in the succeeding page.

(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 additional 100,000,000 common shares within five years from the issuance of the MPSA.

The aforementioned 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 June 30, 2022, the MPSA has not yet been issued by the DENR while the approval of the APSA is still pending with the MGB.

10. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company has not yet started commercial operations as at December 31, 2021 and is not exposed to significant financial risk, except for credit risk of its cash in bank, and liquidity risk related to its accounts payable and accrued expenses.

10.1 Credit Risk

Management believes that the credit risk is considered negligible for cash 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 a maximum coverage of P500,000 for every depositor per banking institution.

10.2 Liquidity Risk

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

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

As of June 30, 2022, and 2021, the Company's financial liabilities amounting to P153,100 and P46,387, respectively, have contractual maturities of 6 to 12 months from the end of the reporting period.

11 CATEGORIES, OFFSETTING AND FAIR VALUE DISCLOSURES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

11.1 Carrying Amounts and Fair Values of Financial Assets and Financial Liabilities

The Company's financial assets and financial liabilities as of December 31, 2021 and 2020 are carried at amortized cost, of which the management determined that their carrying amounts are equal to or approximate their fair values. Accordingly, no further comparison between the carrying amounts and fair values, as well as fair value hierarchy, is presented.

See Notes 2.3 for a description of the accounting policies for each category of financial instruments.

11.2 Fair Value Hierarchy Assets and Financial Liabilities

The fair value hierarchy has the following levels:

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

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument. When the Company uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

The Company's cash in banks would fall under Level 1 and all the rest are at Level 3 of the hierarchy.

There were neither transfers between Levels 1 and 2 nor changes in Level 3 instruments in both years.

11.3 Offsetting of Financial Assets and Financial Liabilities

The Company has not offset financial instruments in 2021 and 2020 and does not have relevant offsetting arrangements. Currently, financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis.

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 entity. As indicated in Note 1.2, 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 applied the deposits for future stock subscription into capital stock, and has received additional cash infusions, from certain stockholders. As of June 30, 2022, the Company's equity amounted to P479,584.