

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 September 2024**
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 September 2024, total assets stood at P703,614 which is 16% higher from 31 December 2023.

Increase in input Value-Added-Tax on listing fee & retainers fee. Increase in accounts payable and accrued expenses is due to accrual of expenses.

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

Ratios	Formula	30-September-24	30-September-23	31-December-23
Current Ratio	Current assets/ Current liabilities	3.05 703,614 / 230,465	2.41 639,003 / 265,600	3.91 608,940 / 155,850
Debt to Equity Ratio	Total liabilities/ Stockholders' equity	0.49 230,465 / 473,149	0.71 265,600/ 373,403	0.34 155,850 / 453,090
Capital Adequacy Ratio	Stockholders' equity/ Total assets	0.67 473,149 / 703,614	0.58 373,403 / 639,003	0.74 453,090 / 608,940
Book value per share	Stockholders' equity/ Total # of shares	0.00017 473,149 / 2,737,044,807	0.00014 373,403 / 2,737,044,807	0.00017 453,090/2,737,044,807
Loss per Share	Net loss/ Total # of shares	-0.00025 674,941 / 2,737,044,807	-0.00026 706,535 / 2,737,044,807	-0.00031 -852,349/ 2,737,044,807

Current Ratio shows the Company's ability to meet its short term financial obligation. As of 30 September 2024, the Company has P3.05 worth of current assets for every one-peso liability, which is higher than last year's P2.41.

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 September 2024, the Company has a positive ratio of P0.49.

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 September 2024, the Company's Capital Adequacy Ratio decreased to positive 0.67.

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 0.00017 as of 30 September 2024.

Loss Per Share is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 30 September 2024, the Company's loss per share is negative 0.00025.

(B) Interim Periods

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

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

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

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

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

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

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

- (iv) *Material Commitment for Capital Expenditure*

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

- (v) *Others*

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

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

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

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


SIGNATURES

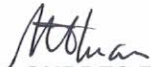
Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer:

ZEUS HOLDINGS, INC.

By:


ODETTE A. JAVIER
Corporate Secretary
Date: 13 November 2024


MA. LOURDES B. TUASON
Treasurer
Date: 13 November 2024

ZEUS HOLDINGS, INC.
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2024 AND DECEMBER 31, 2023
(Amounts in Philippine Peso)

	UNAUDITED SEPTEMBER 2024	AUDITED DECEMBER 2023
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	112,905	89,344
Input Value Added Tax	590,709	519,596
TOTAL ASSETS	703,614	608,940
 <u>LIABILITY AND EQUITY</u>		
CURRENT LIABILITY		
Accounts Payable and accrued expenses	230,465	155,850
Total Current Liability	230,465	155,850
 EQUITY		
Capital Stock	2,737,044,807	2,737,044,807
Additional paid-in capital	44,309,441	43,614,441
Deficit	(2,780,881,099)	(2,780,206,158)
Total Equity	473,149	453,090
 TOTAL LIABILITY AND EQUITY	 703,614	 608,940

ZEUS HOLDINGS, INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2024 AND 2023
(Amounts in Philippine Peso)

	Three Months Period Ended		Nine Months Period Ended	
	<u>September 2024</u>	<u>September 2023</u>	<u>September 2024</u>	<u>September 2023</u>
OPERATING EXPENSES				
Taxes and Licenses	20	-	23,549	16,654
Professional Fees	113,500	120,000	340,500	360,000
Insurance	-	-	900	900
Listing Fee	-	10,250	253,500	260,250
Transportation and travel	7,125	6,750	21,375	20,806
Notarial Fee	600	900	3,000	3,450
Stockholder's Meetings & Other	-	31,030	30,800	31,760
Bank Charges	-	-	-	-
Other Operating Expenses	893	-	1,317	12,714
NET LOSS FOR THE PERIOD	<u>122,138</u>	<u>168,930</u>	<u>674,941</u>	<u>706,535</u>
OTHER COMPREHENSIVE INCOME	-	-	-	0
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>122,138</u>	<u>168,930</u>	<u>674,941</u>	<u>706,535</u>
Loss Per Share	0.00004	0.00006	0.00025	0.00026

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 SEPTEMBER 30, 2024 AND 2023
(Amounts in Philippine Peso)

	September 2024	September 2023
CAPITAL STOCK		
Balance, beginning of year	2,737,044,807	2,737,044,807
Issuance of shares	<u>-</u>	<u>-</u>
Balance, end of the period	<u>2,737,044,807</u>	<u>2,737,044,807</u>
ADDITIONAL PAID-IN CAPITAL		
Balance, beginning of year	43,614,441	42,758,941
Addition during the period	<u>695,000</u>	<u>630,000</u>
Balance, end of the period	<u>44,309,441</u>	<u>43,388,941</u>
DEFICIT		
Balance, beginning of year	(2,780,206,158)	(2,779,353,809)
Net Loss for the period	<u>(674,941)</u>	<u>(706,535)</u>
Balance, end of the period	<u>(2,780,881,099)</u>	<u>(2,780,060,344)</u>
TOTAL EQUITY	<u><u>473,149</u></u>	<u><u>373,403</u></u>

ZEUS HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2024 AND 2023
(Amounts in Philippine Peso)

	September 2024	September 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	(674,941)	(706,535)
Working Capital changes:		
Increase in other current assets	(71,112)	(36,163)
Increase in accounts payable and accrued expenses	74,615	145,850
Net Cash Used in Operating Activities	<u>(671,438)</u>	<u>(596,848)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Cash infusion received from stockholders	<u>695,000</u>	<u>630,000</u>
 NET INCREASE (DECEREASE) IN CASH	23,562	33,152
 CASH AT BEGINNING OF THE PERIOD	89,344	99,366
 CASH AT END OF THE PERIOD	<u><u>112,905</u></u>	<u><u>132,517</u></u>

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, 2023.

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 September 30, 2024, 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information 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 and Sustainability Reporting Standards Council (FSRSC) 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 Amended PFRS

(a) *Effective in 2023 that are Relevant to the Company*

The Company adopted for the first time the following amendments to PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2023:

PAS 1 and PFRS Practice Statement 2 (Amendments)	:	Presentation of Financial Statements – Disclosure of Accounting Policies
PAS 8 (Amendments)	:	Definition of Accounting Estimates

Discussed below are the relevant information about these pronouncements.

- (i) PAS 1 and PFRS Practice Statement 2 (Amendments), *Presentation of Financial Statements – Disclosure of Accounting Policies*. The amendments replaced the requirement for entities to disclose their significant accounting policies with the requirement to disclose their material accounting policy information. The amendments also include guidance to help entities apply the definition of material in making decisions about accounting policy disclosures.

The amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial, that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements and if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. The application of these amendments is reflected in the Company's financial statements under Notes 2 and 3.

- (ii) PAS 8 (Amendments), *Definition of Accounting Estimates*. The amendments introduced a new definition of accounting estimate which is a monetary amount in the financial statements that are subject to measurement uncertainty. It also clarifies that a change in accounting estimate that results from new information or new developments is not a correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result

from the correction of prior period errors. The application of these amendments had no significant impact on the Company's financial statements.

(iii) *Effective in 2023 that is not Relevant to the Company*

Among the amendments to PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2023, the amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*, are not relevant to the Company's financial statements.

(b) *Effective Subsequent to 2023 but not Adopted Early*

There are amendments to existing standards effective for annual periods subsequent to 2023, which are adopted by the FSRSC. 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 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current* (effective from January 1, 2024)
- (ii) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)

2.3 Financial Instruments

(a) *Financial Assets*

(i) *Classification and Measurement of Financial Assets*

The Company has only financial assets at amortized cost classification as of December 31, 2023 and 2022.

The Company's 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.

(ii) *Impairment of 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.

As of December 31, 2023, 2022 and 2021, management has not recognized any expected credit losses since management's only financial asset is cash.

(b) *Financial Liabilities*

Financial liabilities of the Company include accounts payable and accrued expenses (except tax-related liabilities).

Impairment of Non-financial Assets

The Company's input value-added tax (VAT) and other current assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.4 Related Party Relationships and Transactions

Based on the requirement of SEC Memorandum Circular No. 2019-60, *Rules of Material Related Party Transactions for Publicly Listed Companies*, transactions amounting to ten percent (10%) or more of the total assets based on the latest audited financial statements that were entered into with the related parties are considered material.

All individual material related party transactions shall be approved by at least two-thirds vote of the BOD, 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.

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. Relevant disclosure on provisions and contingencies are presented in Note 9.

3.2 Key Sources of Estimation Uncertainty

Presented 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.

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 net operating loss carry over (NOLCO) can be utilized within the prescribed period. Accordingly, the Company did not recognize the deferred tax assets as of December 31, 2023, and 2022 (see Note 6).

(a) *Impairment of Non-financial Assets*

PFRS requires that an impairment review be performed when certain impairment indicators are present. 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.

	<u>Sept. 2024</u>	<u>Sept. 2023</u>
Accrued expenses	P 183,115	P 216,900
Accounts payable	37,450	37,450
Withholding tax payable	<u>9,900</u>	<u>11,250</u>
	<u>P 230,465</u>	<u>P 265,600</u>

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 and others. The transactions with related parties are shown below and in the succeeding pages.

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 in the succeeding page.

<u>Date Authorized</u>		<u>Amount</u>	<u>Month Received</u>
September 18, 2024	P	50,000	September 2024
June 07, 2024		170,000	June 2024
May 23, 2024		125,000	May 2024
February 22, 2024		50,000	February 2024
January 11, 2024		300,000	January 2024
December 13, 2023		150,000	December 2023
October 10, 2023		75,500	October 2023
July 18, 2023		100,000	July 2023
July 1, 2023		150,000	July 2023
March 2, 2023		100,000	March 2023
January 10, 2023		280,000	January 2023
December 28, 2022		200,000	December 2022
June 13, 2022		300,000	June 2022
January 21, 2022		200,000	January 2022
January 13, 2022		280,000	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	<u>690,300</u>	December 2008

P 12,255,800

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 P10,915,500 was reflected as part of APIC, P695,000 in 2024, P855,500 in 2023, P980,000 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 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 September 30, 2024, 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 September 30, 2024 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 824 and P0.071 per share in 2023, and 823 and P0.127 per share in 2022.

6.2 Additional Paid-in Capital

In their meetings held on January 15, 2024, the Company's BOD authorized the acceptance of additional cash infusion from a stockholder amounting to 695,000 which was reflected as part of APIC (see Note 5.1).

7. LOSS PER SHARE

The basic loss per share is computed as follows:

	<u>Sept. 2024</u>		<u>Sept. 2023</u>
Net loss for the year	P 674,941	P	706,535
Divided by the weighted average number of issued and outstanding shares	<u>2,737,044,807</u>		<u>2,737,044,807</u>
Loss per share	<u>P 0.00025</u>	P	<u>0.00026</u>

Diluted earnings per share was not determined because the Company does not have potentially dilutive common shares as of September 30, 2024 and 2023..

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 September 30, 2024 management is of the opinion that losses which 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.

- (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 September 30, 2024, 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, 2023 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 September 30, 2024, and 2023, the Company's financial liabilities amounting to P230,465 and P265,600 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

a. Carrying Amounts and Fair Values of Financial Assets and Financial Liabilities

The Company's financial assets and financial liabilities as of December 31, 2023 and 2022 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.

b. 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 bank 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.

c. Offsetting of Financial Assets and Financial Liabilities

The Company has not offset financial instruments in 2023 and 2022 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 September 30, 2024, the Company's equity amounted to P473,149.