

COVER SHEET

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S.E.C. Registration Number

[illegible]

(Company's Full Name)

[illegible]

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

ODETTE A. JAVIER

Contact Person

815-9447

815-9447

Company Telephone Number

Month

Day

Fiscal Year

Quarterly Report

S	E	C
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1	7	Q
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FORM TYPE

Any day in June

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Month

Day

Annual Meeting

— — —

Secondary License Type, If Applicable

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Dept. Requiring this Doc.

Amended Articles Number/Section

Total no. of Stockholders

Total Amount of Borrowings

	Total / Average

Domestic

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Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

[illegible]

Document I.D.

Cashier

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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 2025**
2. Commission identification number **102415** 3. BIR Tax Identification No **000-056-514**

ZEUS HOLDINGS, INC.

4. Exact name of issuer as specified in its charter

Metro Manila, Philippines

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

6. Industry Classification Code: [REDACTED] (SEC Use Only)

20/F, 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 ☒ No ☐

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

Philippine Stock Exchange

Common

12. Indicate by check mark whether the registrant:

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

Yes ☒ No ☐

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

Yes ☒ No ☐

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

(Please see attached unaudited financial statements)

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

As of 30 June 2025, total assets stood at P760,125 which is 7% higher from 31 December 2024.

Increase in input Value-Added-Tax on listing fee, audit & retainers fee. Decrease in accounts payable and accrued expenses is due to settlement of account.

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

Ratios	Formula	30-June-25	30-June-24	31-December-24
Current Ratio	Current assets/ Current liabilities	4.30 760,125 / 176,590	2.94 826,477 / 281,190	2.68 710,851 / 265,320
Debt to Equity Ratio	Total liabilities/ Stockholders' equity	0.30 176,590 / 583,535	0.52 281,190 / 545,287	0.60 265,320 / 445,531
Capital Adequacy Ratio	Stockholders' equity/ Total assets	0.77 583,535 / 760,125	0.66 545,287 / 826,477	0.63 445,531 / 710,851
Book value per share	Stockholders' equity/ Total # of shares	0.00021 583,535 / 2,737,044,807	0.00020 545,287 / 2,737,044,807	0.00016 445,531 / 2,737,044,807
Loss per Share	Net loss/ Total # of shares	-0.00020 -552,006 / 2,737,044,807	-0.00020 -552,803 / 2,737,044,807	-0.00029 -802,559 / 2,737,044,807

Current Ratio shows the Company's ability to meet its short term financial obligation. As of 30 June 2025, the Company has P4.30 worth of current assets for every one-peso liability, which is higher than last year's P2.94.

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 2025, the Company has a positive ratio of P0.30.

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 2025, the Company's Capital Adequacy Ratio decreased to positive 0.77.

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 0.00021 as of 30 June 2025.

Loss Per Share is calculated by dividing net loss by the weighted average number of shares issued and outstanding. As of 30 June 2025, the Company's loss per share is negative 0.00020.

(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: 14 August 2025


MA. LOURDES B. TUASON

Treasurer

Date: 14 August 2025 

ZEUS HOLDINGS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND DECEMBER 31, 2024
(Amounts in Philippine Peso)

	UNAUDITED JUNE 2025	AUDITED DECEMBER 2024
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	74,806	111,802
Accounts Receivable - Non Trade	9,900	-
Input Value Added Tax & Other Current Assets	675,419	599,049
TOTAL ASSETS	760,125	710,851
<u>LIABILITY AND EQUITY</u>		
CURRENT LIABILITY		
Accounts Payable and accrued expenses	176,590	265,320
Total Current Liability	176,590	265,320
EQUITY		
Capital Stock	2,737,044,807	2,737,044,807
Additional paid-in capital	45,099,441	44,409,441
Deficit	(2,781,560,713)	(2,781,008,717)
Total Equity	583,535	445,531
TOTAL LIABILITY AND EQUITY	760,125	710,851

ZEUS HOLDINGS, INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED JUNE 30, 2025 AND 2024
(Amounts in Philippine Peso)

	Three Months Period Ended		Six Months Period Ended	
	<u>June 2025</u>	<u>June 2024</u>	<u>June 2025</u>	<u>June 2024</u>
OPERATING EXPENSES				
Taxes and Licenses	7,575	7,575	23,529	23,529
Professional Fees	116,000	104,500	232,000	227,000
Insurance	-	-	900	900
Listing Fee	2,917	3,500	252,917	253,500
Transportation and travel	-	7,125	-	14,250
Notarial Fee	900	750	1,650	2,400
Stockholder's Meetings & Other	30,800	30,800	30,800	30,800
Bank Charges	40	-	-	-
Other Operating Expenses	5,000	-	10,210	424
NET LOSS FOR THE PERIOD	<u>163,232</u>	<u>154,250</u>	<u>552,006</u>	<u>552,803</u>
OTHER COMPREHENSIVE INCOME	-	-	(10.28)	0
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>163,232</u>	<u>154,250</u>	<u>551,996</u>	<u>552,803</u>
 Loss Per Share	 0.00006	 0.00006	 0.00020	 0.00020

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, 2025 AND 2024
(Amounts in Philippine Peso)

	June 2025	June 2024
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	44,409,441	43,614,441
Addition during the period	<u>690,000</u>	<u>645,000</u>
Balance, end of the period	<u>45,099,441</u>	<u>44,259,441</u>
 DEFICIT		
Balance, beginning of year	(2,781,008,717)	(2,780,206,158)
Net Loss for the period	<u>(551,996)</u>	<u>(552,803)</u>
Balance, end of the period	<u>(2,781,560,714)</u>	<u>(2,780,758,961)</u>
 TOTAL EQUITY	 <u><u>583,535</u></u>	 <u><u>545,287</u></u>

ZEUS HOLDINGS, INC.
STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED JUNE 30, 2025 AND 2024
(Amounts in Philippine Peso)

	June 2025	June 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	(551,996)	(552,803)
Working Capital changes:		
Increase in other current assets	(86,270)	(63,192)
Increase in accounts payable and accrued expenses	(88,730)	125,340
Net Cash Used in Operating Activities	<u>(726,996)</u>	<u>(490,656)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES		
Cash infusion received from stockholders	<u>690,000</u>	<u>645,000</u>
 NET INCREASE (DECEREASE) IN CASH	 (36,996)	 154,344
 CASH AT BEGINNING OF THE PERIOD	 111,802	 89,344
 CASH AT END OF THE PERIOD	 <u><u>74,806</u></u>	 <u><u>243,688</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, 2024.

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, 2025, 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. 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

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Company.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
The amendments clarify:
 - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*
The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Standards and Interpretations Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Company's financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2025

- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11

- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
- Amendments to PFRS 7, *Gain or Loss on Derecognition*
- Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
- Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements* – The Company is currently assessing the impact of PFRS 18 on the Statement of Comprehensive Income on the notes to the financial statements.
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Material Accounting Policy Information

Presentation of Financial Statements

The Company has elected to present all items of recognized income and expense in a single statement of comprehensive income.

Fair Value Measurement

The Company measures financial instruments, such as derivatives, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at each end of the reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition, Classification and Measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, FVOCI, or fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company has only financial assets at amortized cost classification as of December 31, 2024 and 2023.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are SPPI on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial asset at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

Financial Assets at Amortized Cost (Debt Instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

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.

Financial Assets at FVOCI (Debt Instruments)

The Company measures debt instruments at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statements of comprehensive income and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company does not have debt instruments at FVOCI.

Financial Assets at FVOCI (Equity Instruments)

Upon initial recognition, the Company can elect to classify its equity investments irrevocably as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation*, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have financial assets at FVOCI.

Financial Assets at FVTPL (Debt Instruments)

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of comprehensive income.

The Company does not have debt instruments at FVTPL.

Impairment of Financial Assets

Further disclosures relating to impairment of financial assets are also provided in the summary of significant accounting judgment, estimate and assumption (see Note 3).

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

If, in a subsequent period, the amount of ECL decreases and the decrease can be related objectively to an event occurring after the provision for ECL was recognized, the previously recognized ECL is reversed. Any subsequent reversal is recognized in profit or loss, to the extent that the carrying value of the financial asset does not exceed its amortized cost at the reversal date.

For cash and cash equivalents, the Company applies the low credit risk simplification. The probability of default (PD) and loss given default (LGD) are publicly available. These are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from Bloomberg to determine whether the debt instruments have significantly increased in credit risk and to estimate ECLs.

For advances to related parties, noninterest bearing receivable and dividend receivable, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

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, 2024, 2023 and 2022, management has not recognized any expected credit losses since management's only financial asset is cash.

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired,
- The Company retains the right to receive cash flows from the financial asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement, or
- The Company has transferred its rights to receive cash flows from the asset and either:
(a) the has transferred substantially all the risks and rewards of the asset; or (b) has neither

transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the carrying original amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial Liabilities

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

Initial Recognition, Classification and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, trade and other payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of interest-bearing loans and borrowings and trade and other payables, net of directly attributable transaction costs.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument or a component that is a financial liability, are reported as "Other income (charges)". Distributions to holders of financial instruments classified as equity are charged directly to equity, net of any related income tax.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of comprehensive income.

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in PFRS 9 are satisfied. The Company has not designated any financial liability as at FVTPL.

Financial Liabilities at Amortized Cost

The Company's financial liabilities at amortized cost include accounts payable and accrued expenses, except tax related liabilities (see Note 5).

Financial Liabilities at Amortized Cost (Loans and Borrowings and Trade and Other Payables)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as "Finance costs" in the company statement of comprehensive income.

Derecognition

A financial liability is derecognized when the associated obligation is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts of a financial liability extinguished or transferred to another party and the consideration paid, is recognized in the statement of comprehensive income.

Prepayments and Other Current and Noncurrent Assets

Prepayments and other current assets are composed of prepaid insurance, prepaid expenses, advances to suppliers, miscellaneous deposits and creditable withholding taxes. Other noncurrent assets pertain to input value-added tax (VAT) and claim for business tax refund. These are classified as current when these are probable to be realized within one year from the end of the reporting period. Otherwise, these are classified as noncurrent assets.

Deposits for Future Acquisition

This pertains to the advances made to related parties which were converted into deposits for future acquisition with the intention of applying the same as payment for future acquisition of stock. This is classified as part of the net investment in associate accounted for using the equity method in which deposits for future acquisition is initially recognized at cost. The carrying amount is adjusted thereafter for the post-acquisition change in the Company's share in the net assets of the investee.

Impairment of Non-Financial Assets

Input value-added tax (VAT) and other current assets

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

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.

Investments in Associates

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investments in associate. At the end of each reporting period, the Company determines whether there is objective evidence that the investments in associates are impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the amount in the statement of comprehensive income.

Capital Stock and Additional Paid-in Capital (APIC)

Capital stock is recognized when the share is paid for or subscribed under a binding subscription agreement and is measured at par value. Capital stock is classified as equity.

Subscribed capital stock is reported in equity less the related subscription receivable not collectible currently.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from proceeds. The excess of proceeds from issuance of shares over the par value of shares are credited to APIC.

The APIC is reduced by the transaction costs directly incurred by the Company in relation to issuance of shares. The transaction costs include, but are not limited to, underwriting fees, legal, audit and other professional fees, documentary stamp tax, registration fees, prospectus design, and printing and publication costs, and others.

Earnings per Share (EPS)

Basic EPS

Basic EPS is calculated by dividing the net income attributable to the common equity holders of the Company by the weighted average number of common shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the year.

Diluted EPS is calculated by dividing the net income attributable to the common equity holders of the Company by the weighted average number of common shares outstanding during the year plus the weighted average number of common shares that would be issued on conversion of all the dilutive common shares into common shares, excluding the treasury shares.

Since the Company has no potential dilutive common shares, basic and diluted EPS are stated at the same amount.

Retained Earnings

Retained earnings represents the cumulative balance of periodic net income or loss, dividend declarations, prior period adjustments, effect of changes in accounting policy and other capital adjustments. When the retained earnings account has a debit balance, it is called “deficit”. A deficit is not an asset but a deduction from equity.

Dividend distribution to the Company’s stockholders is recognized as a liability and deducted from retained earnings when they are approved by the Company’s BOD.

Property dividends are declared based on the fair value fixed by the BOD on the date of declaration. The excess of the cost over the fair value fixed by the BOD for the treasury shares distributed as property dividends is debited to the following accounts in the order given: (1) APIC to the extent of the specific or average APIC when the shares are issued, and (2) retained earnings.

Dividends for the year that are approved after the end of the reporting period are dealt with as an event after the end of the reporting period.

Events After the End of the Reporting Period

Events after the end of the reporting period that provide additional information about the Company’s position at the end of the reporting period (adjusting events) are reflected in the financial statements. Events after the end of the reporting period up to auditor’s report that are not adjusting events are disclosed in the notes to the financial statements when material.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND 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:

The preparation of the financial statements in accordance with PFRSs requires the management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and related notes thereto. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Accounting judgments, estimates and assumptions 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. However, actual outcome can differ from these estimates.

Judgments

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

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.

Recognition of Provisions and Contingencies

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.

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>June 2025</u>	<u>June 2024</u>
Accounts payable	P 37,450	P 37,450
Accrued expenses	129,240	235,190
Withholding tax payable	<u>9,900</u>	<u>8,550</u>
	<u>P 176,590</u>	<u>P 281,190</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. 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.

<u>Date Authorized</u>		<u>Amount</u>	<u>Month Received</u>
May 26, 2025	P	360,000	May 2025
March 28, 2025		50,000	March 2025
January 13, 2025		280,000	January 2025
December 10, 2024		50,000	December 2024
November 05, 2024		50,000	November 2024
September 18, 2024		50,000	September 2024
June 07, 2024		170,000	June 2024
May 22, 2024		125,000	May 2024
February 22, 2024		50,000	February 2024
January 10, 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 01, 2023			150,000 July 2023
March 02, 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 13,045,800

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 P11,705,500 was reflected as part of APIC, P690,000 in 2025, P795,000 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 (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, 2025 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, 2025, 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 P0.071 per share in 2024.

6.2 Additional Paid-in Capital

In their meetings held on January 16, 2025, the Company's BOD authorized the acceptance of additional cash infusion from a stockholder amounting to 690,000 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>June 2025</u>	<u>June 2024</u>
Net loss for the year	P 551,996	P 552,803
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 0.00020</u>	<u>P 0.00020</u>

Diluted earnings per share was not determined because the Company does not have potentially dilutive common shares as of June 30, 2025 and 2024.

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, 2025, 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, 2025, 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 June 30, 2025 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, 2025, and 2024, the Company's financial liabilities amounting to P176,590 and P281,190, 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, 2024 and 2023 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 2024 and 2023 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, 2025, the Company's equity amounted to P583,535.