

4 2 7 - A

SEC Registration Number

A T O K - B I G W E D G E , C O . I N C .

(Company's Full Name)

A L P H A L A N D M A K A T I P L A C E

7 2 3 2 A Y A L A A V E . , M A L U G A Y S T .

M A K A T I C I T Y

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

Jonamel G. Israel-Orbe

(Contact Person)

310-7100

(Company Telephone Number)

0 6 3 0

Month Day
(Fiscal Year)

1 7 - 2 Q

(Form Type)

0 5 1 0

Month Day
(Annual Meeting)

Not Applicable

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

4,200

Total No. of Stockholders

Total Amount of Borrowings

nil

Domestic

Not Applicable

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE

1. For the fiscal year ended 30 June 2021

2. SEC Identification No. 427A 3. BIR Tax Identification No 000-707-286

4. Exact Name of Issuer as specified in its charter ATOK-BIG WEDGE CO., INC.

Metro Manila 6. SEC Use Only
Industry Classification Code

5. Province, Country or other jurisdiction of
Incorporation or Organization

Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, Makati City 1209

7. Address of Principal Office Postal Code

+632 5310-7100 / +632 5337-2031

8. Issuer's telephone number, including area code

NA

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

10. Securities registered pursuant to Section 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt/ Liabilities Outstanding
Common Shares	2,545,000,000	₱1,147,462

11. Are any of the securities listed on the Philippine Stock Exchange?

Yes / No

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

Yes / No

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

Yes / No

Item 1. Financial Statements

Attached herein as Exhibit 1 are the Unaudited Consolidated Financial Statements of Atok-Big Wedge Co., Inc. ("Parent Company") and its Subsidiaries, AB Stock Transfers Corporation ("ABSTC") and Tidemark Holdings Limited ("Tidemark") (the "Group") for the Second Quarter ended June 30, 2021.

The interim consolidated financial statements of the Group and Notes thereto, which form part of this report should be read in conjunction with the audited financial statements of the Group as at and for the year ended December 31, 2020. Such financial statements and notes thereto have been prepared in compliance with accounting principles generally accepted in the Philippines ("GAAP") as set forth in Philippine Financial Reporting Standards ("PFRS"). The Group's financial statements are presented in the functional currency of Philippine pesos, except when otherwise indicated.

Other than those items disclosed in the notes to financial statements and in this report, the Group is not aware of any event, change, contingency or transaction which would have a material effect on the Company's operation or financial performance; nor of any material off-balance sheet transactions, arrangements, obligations, or any other relationship of the Group created during the reporting period.

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

Description of Business

Atok-Big Wedge Co. Inc., formerly Atok-Big Wedge Mining Co., Inc. (the "Parent Company"), was incorporated and registered with the Securities and Exchange Commission ("SEC") on September 4, 1931. Its corporate life was extended on September 25, 1981 for another fifty (50) years to expire on September 25, 2031. The common shares of the Parent Company are listed in the Philippine Stock Exchange ("PSE") under the ticker symbol: AB.

Since its incorporation, the Parent Company engaged in mining as its primary purpose, producing gold as its major product and silver as a by-product. Its production was all sold to the Central Bank of the Philippines at a price subsidized by the Philippine Government, and later on at the prevailing world market price. Gold bullions are used by the Philippine Government as one of the components in the monetary reserve.

Although the Parent Company changed its primary purpose in 1996 from mining to general investment, it reverted to its original purpose of engaging in exploration and development of mining, oil, gas, and other natural resources when it amended its Articles of Incorporation, which was approved by the SEC on May 24, 2010.

The Parent Company has two wholly-owned subsidiaries, AB Stock Transfers Corporation ("ABSTC") and Tidemark Holdings Limited ("Tidemark").

ABSTC was incorporated on June 24, 2010, with the purpose of establishing, operating, and acting as a transfer agent and/or registrar of corporations.

On the other hand, Tidemark is a holding company registered and domiciled in Hongkong SAR, which the Company bought on 3 October 2011. Tidemark used to own 9,646,757 ordinary shares of Forum Energy plc, now Forum Energy Limited ("Forum"), a company registered and domiciled in the United Kingdom representing, approximately 27.14% of Forum's outstanding capital. In March 2017, Tidemark subscribed to 6,666,667 new shares of Forum, together with the subscription simultaneously made by

the other shareholder of Forum. This new subscription resulted in Tidemark owning 20% of Forum. Tidemark expects the absolute value of its 20% stake in Forum to exceed the value of its then 27.14% stake. Forum is a gas & oil exploration and production company with a portfolio of projects in the Philippines. Among these projects is the Service Contract (SC) 72 where Forum holds 70% equity. SC72 is situated offshore West of Palawan Island and is host to the Sampaguita offshore gas/condensate discovery. Drilling plans for SC72 have been placed on hold by the Philippine government pending the resolution of territorial sovereignty disputes involving claimant countries surrounding West Philippine Sea.

The Parent Company is a regular member and signatory of the Chamber of Mines. It has adopted the spirit and substance of the Chamber of Mines' Code of Conduct which calls for sustainable mineral resources development, environmental responsibility and a social commitment to the general welfare and economic development of the people in the localities in which it operates.

Over the past seven decades, the Parent Company has established a strong foundation in the Philippine mining industry.

Pursuant to its goal of seeking out projects to put into operation, the Parent Company made a continued careful and diligent evaluation of multiple metallic and non-metallic prospects for possible investment. While it looked into investment possibilities in Laos, it recently decided to re-focus its efforts in the Philippines with priority on projects in the advanced stage, but not disregarding green field exploration prospects with potential. Discussions also continued for mines with confirmed potential and previously operated but closed down during the period with low metal prices. However, the Parent Company has not made any publicly-announced new products or services not it or any of its security holders of another person, aside from the previously stated acquisition by Tidemark of additional shares of Forum. The Parent Company has no plans of purchasing or selling any significant equipment.

Management Plan of Operations

The Parent Company is hoping to get the government approval for its application for an Exploration Permit over an area of 3,375 Hectares in CADT134, Agusan Del Norte. While in the process, it will continue to conduct series of field inspection to understand the mineralization occurrence in preparation for more detailed exploration activities. Concurrent to the field activities in CADT134, exploration works continues in Mt. Daraga (587 Hectares), Mendez (486 Hectares) and Aboloc (567 Hectares) areas also in Agusan Del Norte, all under Memoranda of Agreement. "Sweet" areas (HIGH GRADE areas for Gold mineralization) within Mt. Daraga and Mendez have been identified for more detailed subsurface. Plans involving oil and gas exploration have been shelved in relation to low oil prices and uncertainty in the supply and demand situation. SC-72 (Recto Bank) is still kept on hold depending on the outcome of Philippines Government initiatives involving West Philippine Sea. The Philippine Department of Energy has granted a force majeure on SC-72 because this contract area falls within the territorial disputed area of the West Philippine Sea, which is the subject of a United Nations arbitration process between the Republic of the Philippines and the People's Republic of China. From November 2013 to June 2021, the mining exploration cost of the Group amounted to ₱5,299,494.

The Group will continue to fund its operations in the next year or two depending on the activities that will materialize using its cash and its money market investments.

The vision of the Group remains and that is to have a substantial involvement in the exploration and judicious development of various natural resources that will contribute to the economic development of the Philippines. The Group's mission is to be the leader in chosen fields by creating value through change, utilizing the group's knowledge capital and adopting leading technologies, to enhance shareholders' value and profit through growth in earnings and in intrinsic worth, to be committed to a

culture of excellence, loyalty and pride, and to be a socially responsible and environmentally conscious corporate citizen, adhering to the highest ethical standards and respecting the communities to which it belongs.

Currently, the Group has no plan of increasing its number of employees during the next twelve (12) months, however, if the level of activities increase parallel to a more supporting regulatory position on exploration and mining, the Group is expected to increase the number of its employees.

Financial Condition-Consolidated

ATOK-BIG WEDGE CO., INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)	Increase (Decrease)	
			Amount	%
ASSETS				
Current Assets				
Cash and cash equivalents	16,738,156	14,364,676	2,373,480	16.52%
Receivables	283,978,227	2,124,594	281,853,633	13266.24%
Other current assets	10,960,731	10,367,908	592,823	5.72%
Total Current Assets	311,677,114	26,857,178	284,819,936	1060.50%
Noncurrent Assets				
Investment in an associate	516,451,431	501,431,573	15,019,858	3.00%
Equity investment designated as fair value through other comprehensive income (FVOCI)	-	-	-	0.00%
Property and equipment	37,835	47,833	(9,998)	-20.90%
Advances to mining right holders	1,525,000	1,525,000	-	0.00%
Total Noncurrent Assets	518,014,266	503,004,406	15,009,860	2.98%
	829,691,381	529,861,584	299,829,796	56.59%
LIABILITIES AND EQUITY				
Current Liabilities				
Payables and other current liabilities	1,148,968	8,861,864	(7,712,896)	-87.03%
Equity				
Capital stock	1,354,023,160	1,060,000,000	294,023,160	27.74%
Deficit	(606,433,561)	(604,933,236)	(1,500,325)	0.25%
Cumulative translation adjustment	80,952,813	65,932,956	15,019,857	22.78%
Total Equity	828,542,412	520,999,720	307,542,692	59.03%
	829,691,381	529,861,584	299,829,796	56.59%

June 30, 2021 vs. December 31, 2020

As of June 30, 2021, the Group's consolidated assets amounted to ₱829.7 million as compared to ₱529.9 million as of December 31, 2020. On the other hand, the Group's consolidated liabilities as of June 30, 2021 decreased to ₱1.1 million from ₱8.9 million as of December 31, 2020.

Cash and cash equivalents

Cash and cash equivalents totaling ₱16.7 million as of June 30, 2021 showed a net increase of ₱2.4 million from ₱14.4 million as of December 31, 2020. The net increase is due to the receipt of payment from North Kitanglad Agricultural Company for the capital stock subscriptions amounting to ₱294 million, offset by ₱282 million advances to shareholders and settlement of loans from shareholders amounting to USD150,000.

Receivables

Receivables significantly increased from ₱2.1 million as of December 31, 2020 to ₱284.0 million as of June 30, 2021, due to the ₱282 million advances made to shareholders.

Other current assets

Other current assets increased by ₱0.6 million primarily due to increase in input tax and prepayment of the PSE annual listing fee.

Investment in associate

Investment in associate showed an increase of ₱15 million from ₱501.4 million as of December 31, 2020 to ₱516.5 million as of June 30, 2021. The increase pertains to foreign exchange translation adjustments of investment in Tidemark.

Property and equipment

Property and equipment decreased by ₱9,998 due to depreciation expense for the six months ended June 30, 2021.

Payables and other Current Liabilities

Payables and other Current Liabilities decreased by ₱7.7 million due to the settlement of loans from shareholders amounting to US\$150,000.

Stockholders' equity

Stockholders' equity increased from ₱521 million at the end of 2020 to ₱828.5 million as of June 30, 2021 primarily due to the capital stock subscriptions of North Kitanglad Agricultural Company and foreign exchange translation adjustments of investment in Tidemark.

Results of Operations

ATOK-BIG WEDGE CO., INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Three Months Ended				For the Six Months Ended			
	June 30, 2021 (Unaudited)	June 30, 2020 (Unaudited)	Increase (Decrease)		June 30, 2021 (Unaudited)	June 30, 2020 (Unaudited)	Increase (Decrease)	
			Amount	%			Amount	%
GENERAL AND ADMINISTRATIVE EXPENSES	1,712,149	957,861	754,288	78.75%	2,674,664	1,991,848	682,816	34.3%
OTHER INCOME (EXPENSES)								
Share in the net results of operations of an associate	-	-	-	0.00%	-	-	-	0.0%
Service fees	487,860	347,420	140,440	40.42%	853,880	725,980	127,900	17.6%
Interest income	352,584	115,444	237,140	205.42%	385,183	337,196	47,987	14.2%
Others	147	(463)	610	-131.76%	423	(439)	862	-196.5%
	840,591	462,401	378,190	81.79%	1,239,486	1,062,737	176,750	16.6%
LOSS BEFORE INCOME TAX	(871,559)	(495,461)	(376,098)	75.91%	(1,435,178)	(929,111)	(506,066)	54.5%
PROVISION FOR INCOME TAX	-	-	-	0.00%	65,148	44,297	20,851	47.1%
NET LOSS	(871,559)	(495,461)	(376,098)	75.91%	(1,500,326)	(973,408)	(526,917)	54.1%
OTHER COMPREHENSIVE INCOME (LOSS)								
<i>Item that will be reclassified subsequently to profit or loss -</i>								
Foreign exchange differences on translation of the financial statements	5,219,256	(16,920,980)	22,140,236	-130.84%	15,019,858	(16,051,105)	31,070,963	-193.6%
<i>Item that will be reclassified subsequently to profit or loss -</i>								
Fair value remeasurement on equity instrument designated as fair value through other comprehensive income	-	-	-	0.00%	-	-	-	0.0%
TOTAL COMPREHENSIVE INCOME (LOSS)	4,347,697	(17,416,441)	21,764,138	-124.96%	13,519,532	(17,024,513)	30,544,046	-179.4%
BASIC AND DILUTED LOSS PER SHARE	(0.0003)	(0.0002)	(0.0001)	75.91%	(0.0006)	(0.0004)	(0.0002)	54.1%

Three months ended June 30, 2021 vs. Three months ended June 30, 2020

General and administrative expenses

General and administrative expenses increased by ₱0.8 million or 78.75% mainly due to director fees in the current year and nil for the previous period.

Service fees

Service fees increased by ₱0.1 million or 40.4% mainly due to fees attributed to issuance of stock certificates.

Interest income

Interest income increased by ₱0.2 million or 205.4% due to higher average cash and cash equivalents for the period ended June 30, 2021 as compared to same period in 2020.

Other comprehensive income (loss)

Other comprehensive income pertains to the translation adjustment of investment in Tidemark. Translation gain is due to higher US Dollar to Philippine Peso exchange rate from ₱48.80 as of December 31, 2020 to ₱49.83 as of June 30, 2021.

Six months ended June 30, 2021 vs. Six months ended June 30, 2020

General and administrative expenses

General and administrative expenses increased by ₱0.7 million or 34.3% mainly due to director fees in the current year and nil for the previous period

Service fees

Service fees increased by ₱0.1 million or 17.6% mainly due to fees attributed to issuance of stock certificates.

Interest income

Interest income increased by ₱47,987 or 14.2% due to higher average cash and cash equivalents for the period ended June 30, 2021 as compared to same period in 2020.

Other comprehensive income (loss)

Other comprehensive income pertains to the translation adjustment of investment in Tidemark.

Translation gain is due to higher US Dollar to Philippine Peso exchange rate from ₱48.80 as of December 31, 2020 to ₱49.83 as of June 30, 2021.

Discussion and Analysis of Material Events and Uncertainties

There were no material off-balance sheet transactions, arrangements, obligations, and other relationships of the Group with unconsolidated entities or other persons during the reporting period.

The general purposes of the capital expenditures are to explore and locate additional gold ore reserves of better grade, conduct pilot tests, secure all the Group's assets, and keep the mineral rights in good standing.

The known trends, events or uncertainties that may have a material impact on sales are the price of gold in the world market, the dollar exchange rate, NGOs' anti-mining position and changes in the Department of Environment and Natural Resources' rules and regulations at midstream.

The significant elements of income or loss from continuing operations are the ounces of gold produced and the costs to produce such gold.

Top Key Performance Indicators

The top key performance indicators of the Group are as follows:

	Manner of Calculation	As of	
		June 30, 2021	December 31, 2020
CURRENT/LIQUIDITY RATIO			
		271.27:1	3.03:1
Current assets	Current assets divided by current liabilities	311,677,114	26,857,178
Current liabilities		1,148,968	8,861,864
SOLVENCY RATIO			
		(1.30):1	(1.17):1
Net loss after tax less depreciation and impairment losses	The sum of net loss after tax less depreciation and impairment losses divided by total liabilities	(1,500,326) 9,997	(10,414,952) 11,848
Total liabilities	total liabilities	1,148,968	8,861,864
DEBT TO EQUITY RATIO			
		0.001:1	0.017:1
Total liabilities	Total liabilities divided by total equity	1,148,968	8,861,864
Total equity	total equity	828,542,412	520,999,720
ASSET TO EQUITY RATIO			
		1.00:1	1.02:1
Total assets	Total assets divided by total equity	829,691,381	529,861,584
Total equity	total equity	828,542,412	520,999,720
INTEREST RATE COVERAGE RATIO			
Income before interest and taxes	Income before taxes and interest divided by interest expense	(1,435,178)	(10,314,144)
Interest expense	interest expense	-	-
PROFITABILITY RATIO			
		(0.00):1	(0.02):1
Net loss after tax	Net loss after tax divided by total equity	(1,500,326)	(10,414,952)
Total equity	total equity	828,542,412	520,999,720

Current/liquidity ratio – The ratio significantly increased from 3.03 to 271.27 due to additional advances to shareholder which increased the current asset and no increase in the current liability.

Solvency ratio –The ratio moved from negative 1.17 to negative 1.30 due to lower liabilities and lower net losses in the current 6 month period.

Debt-to-equity ratio – There is no significant movement for the debt-to-equity ratio.

Asset-to-equity ratio – There is no significant movement for the asset-to-equity ratio.

Profitability ratio – The ratio moved from negative 0.02 to 0.00 due to lower net losses for the 6 month period and higher equity as of June 30, 2021.

Financial Risk Management

The Group has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

The Group's Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. All risks faced by the Group are incorporated in the annual operating budget. Mitigating strategies and procedures are also devised to address the results. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Board of Directors reviews and institutes policies for managing each of the risks.

Credit Risk

Credit risk is a risk due to uncertainty in the counterparty's ability to meet its obligations. With respect to credit risk arising from the financial assets, the Group's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Group trades mainly with recognized, creditworthy third parties as well as with related parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, the Group only deals with financial institutions duly evaluated and approved by the BOD.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by forecasting projected cash flows and maintaining a balance between continuity of funding and flexibility in operations. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Group's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal requirements.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other market prices will adversely affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group is subject to minimal transaction and translation exposures resulting from currency exchange fluctuations. The Group regularly monitors outstanding financial assets and liabilities in foreign currencies and maintains them at a level responsive to the current exchange rates so as to minimize the risks related to these foreign currency denominated assets and liabilities.

Capital Management

The primary objective of the Group's capital management is to ensure its ability as a going concern and that it maintains healthy capital ratios in order to support its business operations and maximize shareholder value.

The Group monitors capital on the basis of the debt-to-equity ratio which is calculated as total debt divided by total equity. Total debt comprises of payable other current liabilities. Total equity comprises all components of equity.

PART II - OTHER INFORMATION

There are no disclosures not reported under SEC Form 17-C.

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 : **Atok-Big Wedge Co., Inc.**

Signature and Title : 
ERIC O. RECTO
President

Principal Financial Officer : 
CRISTINA B. ZAPANTA
SVP - Finance

Date : August 6, 2021

ATOK-BIG WEDGE CO., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	16,738,156	14,364,676
Receivables	283,978,227	2,124,594
Other current assets	10,960,731	10,367,908
Total Current Assets	311,677,114	26,857,178
Noncurrent Assets		
Investment in an associate	516,451,431	501,431,573
Equity investment designated as fair value through other comprehensive income (FVOCI)	-	-
Property and equipment	37,835	47,833
Advances to mining right holders	1,525,000	1,525,000
Total Noncurrent Assets	518,014,266	503,004,406
	829,691,381	529,861,584
LIABILITIES AND EQUITY		
Current Liabilities		
Payables and other current liabilities	1,148,968	8,861,864
Equity		
Capital stock	1,354,023,160	1,060,000,000
Deficit	(606,433,561)	(604,933,236)
Cumulative translation adjustment	80,952,813	65,932,956
Total Equity	828,542,412	520,999,720
	829,691,381	529,861,584

ATOK-BIG WEDGE CO., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Six Months Ended	
	June 30, 2021 (Unaudited)	June 30, 2020 (Unaudited)
GENERAL AND ADMINISTRATIVE EXPENSES	2,674,664	1,991,848
OTHER INCOME (EXPENSES)		
Share in the net results of operations of an associate	-	-
Service fees	853,880	725,980
Interest income	385,183	337,196
Others	423	(439)
	1,239,486	1,062,737
LOSS BEFORE INCOME TAX	(1,435,178)	(929,111)
PROVISION FOR INCOME TAX	65,148	44,297
NET LOSS	(1,500,326)	(973,408)
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Item that will be reclassified subsequently to profit or loss -</i>		
Foreign exchange differences on translation of the financial	15,019,858	(16,051,105)
<i>Item that will be reclassified subsequently to profit or loss -</i>		
Fair value remeasurement on equity instrument designated as fair value through other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME (LOSS)	13,519,532	(17,024,513)
BASIC AND DILUTED LOSS PER SHARE	(0.0006)	(0.0004)

ATOK-BIG WEDGE CO., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	For the Six Months Ended	
	June 30, 2021 (Unaudited)	June 30, 2020 (Unaudited)
CAPITAL STOCK - 1 par value	1,354,023,160	1,060,000,000
DEFICIT		
Balance at beginning of year	(604,933,236)	(594,518,284)
Net loss	(1,500,326)	(973,408)
Balance at end of year	(606,433,561)	(595,491,692)
ACCUMULATED OCI		
CUMULATIVE TRANSLATION ADJUSTMENT		
Balance at beginning of year	67,932,906	118,424,372
Foreign exchange differences on translation of the financial statements of Tidemark Holdings Limited	15,019,858	(16,051,106)
Balance at end of year	82,952,764	102,373,266
Cumulative Valuation Gain on Equity Investment Designated at FVOCI		
Balance at beginning of year	(1,999,950)	152,335
Unrealized gain on valuation of equity investment designated at FVOCI	-	-
Balance at end of year	(1,999,950)	152,335
	80,952,814	102,525,601
	828,542,413	567,033,909

ATOK-BIG WEDGE CO., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Three Months Ended	
	June 30, 2021 (Unaudited)	June 30, 2020 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(1,500,326)	(433,651)
Adjustments for:		
Interest income	(385,183)	(221,752)
Depreciation and amortization	9,997	2,486
Operating income (loss) before working capital changes	(1,875,511)	(652,916)
Decrease (increase) in:		
Receivables	(281,853,633)	(60,730)
Other current assets	(592,823)	(1,004,895)
Increase (decrease) in:		
Payables and other current liabilities	(7,712,896)	69,070
Net cash generated from (used for) operations	(292,034,863)	(1,649,471)
Interest received	385,183	221,752
CASH FLOWS FROM OPERATING ACTIVITIES	(291,649,681)	(1,427,720)
Subscription of North Katinglad Katinglad Company	294,023,160	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,373,479	(1,427,720)
EFFECT OF UNREALIZED FOREIGN EXCHANGE GAIN		-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	14,364,676	35,988,974
CASH AND CASH EQUIVALENTS	16,738,155	34,561,254

Schedules

1. Cash and Cash Equivalents

This account consists of:

	June 30, 2021	December 31, 2020
Cash on hand and in banks	P16,738,156	P821,633
Cash equivalents	-	13,543,043
	P16,738,156	P14,364,676

Cash in banks earn interest at the prevailing bank deposit rates. Cash Equivalents are made for varying periods of up to three months and earn interest at the respective short-term placement rates.

2. Receivables

This account consists of:

	June 30, 2021	December 31, 2020
Receivable from:		
Related parties	P282,615,792	P700,316
Third party	191,660	191,660
Accounts receivable	616,563	797,643
Advances to officers and employees	586,065	466,828
Others	9,697	9,697
	284,019,777	2,166,144
Less allowance for impairment losses	(41,550)	(41,550)
	P283,978,227	P2,124,594

Receivable from related parties are noninterest-bearing, due and demandable and settlement occurs in cash.

Accounts receivables are noninterest-bearing and normally settled in cash within 30 days from date of billing.

Advances to officers and employees are unsecured, noninterest-bearing and subject to liquidation.

3. Other Current Assets

This account consists of:

	June 30, 2021	December 31, 2020
Input VAT	P8,776,478	P8,585,839
Rental and security deposits	1,382,572	1,382,572
Prepayments	454,924	130,297
CWT	337,136	259,566
Others	9,621	9,634
	P10,960,731	P10,367,908

4. Investment in an associate

Investment in an associate pertains to Tidemark's 20% ownership of Forum.

Movements of this investment are as follows:

	June 30, 2021	December 31, 2020
Cost		
Balance at beginning of year	P893,325,866	P867,920,876
Additional investment	-	25,404,990
Balance at end of year	893,325,866	893,325,866
Accumulated Share in Net Results of Operation		
Balance at beginning of year	(459,827,199)	(452,708,501)
Share in net results of operations	-	(7,118,698)
Balance at end of year	(459,827,199)	(459,827,199)
Cumulative Translation Adjustment		
Balance at beginning of year	67,932,906	118,424,372
Foreign exchange differences	15,019,858	(50,491,466)
Balance at end of year	82,952,764	67,932,906
Carrying Amount	P516,451,431	P501,431,573

5. Equity Investment Designated at FVOCI

This account pertains to the Parent Company's investment in unquoted shares of stock with an acquisition cost amounting of P2.0 million.

As at June 30, 2021 and December 31, 2020, the carrying amount of the investment is nil. Fair value bases for the shares (i.e., quoted market prices) are neither readily available nor is there an alternative basis of deriving a reliable valuation as at reporting date.

6. Property and Equipment

Movements of this account are as follows:

	June 30, 2021					Total
	Exploration Equipment	Leasehold Improvements	Transportation Equipment	Office Equipment	Furniture and Fixture	
Cost						
Balances at beginning and end of year	P56,235	P4,422,518	P1,665,548	P1,316,281	P1,374,483	P8,835,065
Accumulated Depreciation and Amortization						
Balance at beginning of year	51,422	4,422,518	1,665,548	1,273,261	1,374,483	8,787,232
Depreciation and amortization	2,405	-	-	7,592	-	9,997
Balance at end of year	53,827	4,422,518	1,665,548	1,280,853	1,374,483	8,797,229
Carrying Amount	P2,406	P-	P-	P35,427	P-	P37,835

	December 31, 2020					Total
	Exploration Equipment	Leasehold Improvements	Transportation Equipment	Office Equipment	Furniture and Fixtures	
Cost						
Balances at beginning of year	P56,235	P4,422,518	P1,665,548	P1,270,731	P1,374,483	P8,789,515
Addition	-	-	-	45,550	-	45,550
Balances at end of year	56,235	4,422,518	1,665,548	1,316,281	1,374,483	8,835,065
Accumulated Depreciation and Amortization						
Balance at beginning of year	46,611	4,422,518	1,665,548	1,270,731	1,369,976	8,775,384
Depreciation and amortization	4,811	-	-	2,530	4,507	11,848
Balance at end of year	51,422	4,422,518	1,665,548	1,273,261	1,374,483	8,787,232
Carrying Amount	P4,813	P-	P-	P43,020	P-	P14,131

7. Payables and Other Current Liabilities

This account consists of:

	June 30, 2021	December 31, 2020
Payable to related parties	P41,510	P7,663,010
Advances from officers and employees	368,924	368,924
Accruals:		
Professional fees	300,500	488,555
Salaries and other benefits	97,131	55,929
Utilities and other office expenses	60,924	47,113
Others	279,979	238,333
	P1,148,968	P8,861,864

Payables to related parties are non-interest bearing, due and demandable and payable in cash.

Accrued expenses and other payables are settled throughout the year.

8. General and Administrative Expenses

This account consists of:

	June 30, 2021	June 30, 2020
Salaries and wages	P584,017	P589,736
Professional fees	526,333	395,000
PSE listing fee	383,608	528,272
Rent	165,932	165,932
Medical and hospitalization	84,940	60,341
Taxes and licenses	44,968	97,576
Utilities, dues and subscriptions	43,147	48,812
Communications	10,208	32,847
Transportation and travel	6,679	19,927
Depreciation and amortization	9,997	6,911
Representation	40,948	7,115
Supplies	-	13,135
Others	773,887	26,244
	P2,674,664	P1,991,848

9. Aging of Accounts Receivables

	June 30, 2021					
	Total	Neither Past Due nor Impaired	Past Due But Not Impaired			
			1-30 Days	31-60 Days	61-90 Days	More than 90 days
Philweb Corporation	P84,588	P16,800	P16,800	P16,912	P16,800	P17,276
Island Information and Technology, Inc.	160,687	11,200	11,200	11,200	11,890	115,197
Others	371,288	106,400	86,058	33,600	17,490	184,509
	P616,564	P134,400	P114,058	P61,712	P46,180	P260,214

	December 31, 2020					
	Total	Neither Past Due nor Impaired	Past Due But Not Impaired			
			1-30 Days	31-60 Days	61-90 Days	More than 90 days
Philweb Corporation	P321,579	P17,490	P16,800	P16,800	P16,800	P253,689
Island Information and Technology, Inc.	216,687	11,890	11,200	11,200	11,200	171,197
Others	259,465	58,070	56,040	33,600	33,600	78,155
	P797,731	P87,450	P84,040	P61,600	P61,600	P503,041

ATOK-BIG WEDGE CO., INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
JUNE 30, 2021

Deficit as shown in the separate financial statements, at beginning of period	(P370,565,095)
Adjustment for:	
Impairment loss on investment in a subsidiary	223,495,475
Deficit, as adjusted, at beginning of period	(147,069,620)
Net loss closed to deficit	(1,751,183)
Deficit, as adjusted, at end of period	(P148,820,803)

ATOK-BIG WEDGE CO., INC. AND SUBSIDIARIES

MAP OF GROUP STRUCTURE

JUNE 30, 2021

