

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the Fiscal Year ended **December 31, 2021**
2. SEC Identification No. **427-A** 3. BIR Tax Identification No. **000-707-286**
4. Exact Name as specified in its charter: **ATOK-BIG WEDGE CO., INC.**
5. Province, Country or other jurisdiction of incorporation or organization: **Philippines**
6. (SEC use only)
Industry Classification Code
7. Address of principal office: **Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, Makati City**
8. Postal Code **1209**
9. Registrant's telephone number, including area code: **(632) 5310-7100; (632) 5337-2031**
10. Former name, former address, and fiscal year, if changed since last report: **N.A.**
11. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

		Number of Shares of Common Stock Outstanding
Title of Class	Number of Shares	Par value
Common	2,545,000,000	₱2,545,000,000.00
Total Liabilities as of 31 December 2021:		₱1,132,649
12. Are any or all of these securities listed on the Philippine Stock Exchange?

Yes [**x**] No. []

13. Check whether the registrant:

- (a) Has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder, or Section 11 of the Revised Securities Act and RSA rule 11-(a)-1 thereunder, and sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):

Yes ☒ No. ☐

- (b) Has been subject of such filing requirements for the past 90 days:

Yes ☒ No. ☐

14. State the aggregate market value of the voting stock held by non-affiliates of the registrant.

	Non-Affiliates No. of Shares	Market Value As of 03.31.22	Total Market Value
Common	347,124,989	Php5.70	1,978,612,437.30

PART I - BUSINESS AND GENERAL INFORMATION

Item 1: Description of Business

Atok-Big Wedge Co. Inc. (the "Company"), formerly Atok-Big Wedge Mining Co., Inc., was incorporated and registered with the Securities and Exchange Commission (the "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 Company are listed in the Philippine Stock Exchange, Inc. (the "PSE"; ticker symbol: AB).

Since its incorporation, the 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 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 Company has two (2) 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 just 6,666,667 new shares of Forum, together with the subscription simultaneously made by the other shareholder of Forum which subscribed to the bulk of the subscription offer. This new subscription resulted in Tidemark's shareholdings in Forum being reduced to 20%. In March 2020, in response to a capital call made by Forum, Tidemark subscribed to another 1,666,666 new shares of Forum to maintain its shareholdings in Forum at 20%.

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 No. 72 (SC72) 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 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 Company has established a strong foundation in the Philippine mining industry.

Pursuant to its goal of seeking out projects to put into operation, the 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 greenfield 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 Company has not made any publicly-announced new products or services nor it or any of its security holders acquired securities of another person, aside from the previously stated acquisition by Tidemark of additional shares of Forum. The Company has no plans of purchase or selling any significant equipment.

Participation in Bankruptcy, Receivership or Similar Proceedings

There were no bankruptcy, receivership, or similar proceedings involving the Company.

Business Indicators

The Company is exploring the possibility of entering into a business venture with local and foreign entities to maximize the potential of its mineral properties and to enhance its earnings in the very near future. It will abide by the principle of sustainable and socially acceptable mineral resources development.

The viability of expanding the current pilot plant operation and sustaining it at an economically viable scale depends on the price of gold in the world market, the peso-dollar exchange rate, the efficiency of mining and milling operations, and the grade of ore. The higher the grade of ore in grams gold per ton of ore, the higher the profit margin will be.

Patents, Franchise/Government Approvals

The Company has complied with government rules and regulations and has paid all the necessary taxes and fees. It regularly coordinates with the Department of Energy (DOE) and Department of Environment and Natural Resources (DENR) with regard to new rules and regulations that may be promulgated.

Employees

As of end of 2021, the Company has two (2) regular employees while ABSTC, the Company's subsidiary, has only one (1) regular employee, which employees are not subject to Collective Bargaining Agreement. The Company has no plans of adding additional employees for the ensuing twelve (12) months. However, if the level of activities increases parallel to a more supportive regulatory position on exploration and mining, the Company, is expected to increase the number of its employees. The principal duties and responsibilities of the employees of the Company and its subsidiaries are to conduct technical evaluation of potential mining projects, maintain the validity and existence of the subsidiary's mining rights, conduct exploration and development works, set and run a pilot gold processing plant, and secure all other properties of the subsidiary, including the plant, equipment, records, maps and other valuable information at the mine site.

Customers

The Company and its subsidiaries are not dependent on any single customer or on a few customers.

Transactions with and/or Dependence on Related Parties

The following table summarizes the Group's transactions with related parties (entities with common directors) for the years ended December 31, 2021 and 2020 and the related outstanding balances as at December 31, 2021 and 2020:

	Nature of Transaction	Amount of Transactions		Outstanding Balance	
		2021	2020	2021	2020
Receivable from related parties					
<i>Entities under common management:</i>					
Alphaland Corporation (ALPHA)	Allocated costs	₱—	₱3,715	₱37,545	₱3,715
	Service fee	182,030	180,000	—	—
Alphaland Heavy Equipment Corporation	Allocated costs	—	—	579,305	579,305
The City Club at Alphaland Makati Place, Inc.	Service fee	180,000	180,000	33,600	33,600
Alphaland Balesin Island Club, Inc.	Service fee	180,000	180,000	—	—
	Reimbursements	16,800	—	99,700	82,900
Alphaland Aviation Inc.	Reimbursements	—	—	796	796
				₱750,946	₱700,316
Rental and security deposits					
<i>Entity under common management -</i>					
Alphaland Southgate Tower, Inc. (ASTI)	Deposits in relation to lease agreement	₱—	₱—	₱1,349,090	₱1,349,090
Alphaland Makati Place, Inc. (AMPI)	Deposits in relation to lease agreement	—	—	33,482	33,482
				₱1,382,572	₱1,382,572
Payable to related parties					
<i>Entities under common management:</i>					
AMPI	Lease of office space	₱39,395	₱—	₱7,736	₱7,736
	Lease of office space				
ASTI	and utilities	—	—	—	—
	Reimbursements	—	27,579	33,774	33,774
ALPHA	Reimbursements	—	—	—	—
				₱41,510	₱41,510
Payables to related parties					
Stockholders	Working Capital	₱—	₱7,621,500	₱—	₱7,621,500
Receivables from related parties					
Stockholders	Cash Advances	₱210,000,000	₱—	₱194,865,252	₱—

Aside from the foregoing, there are no transactions (or series of similar transactions) during the last two (2) years, with or involving the Company or its subsidiaries, in which a director, executive officer, or stockholder owning ten percent (10%) or more of the total outstanding shares, or any member of his/her immediate family, had or will have a direct or indirect material interest.

Patents, Trademarks, Copyrights, Licenses, Concessions and Royalty Agreements

The company does not own any registered patent, trademark or copyright. Neither is it a recipient of any license or concession nor a party to any royalty agreement.

Effect of Existing or Probable Governmental Regulations

In 2012, Forum encountered a delay in one of its drilling programs. It has submitted all the requirements for the issuance of required permits for the drilling program. However, the permit has not yet been issued by the relevant Government body. The latest resource assessment supported the case to proceed with the drilling and Forum has been granted an

extension up to August 2015 to complete its obligations under the service contract. Forum expects to proceed with its commitment as soon as it is able to obtain the necessary authorization from the Government. The DOE has granted a force majeure on SC72 because this contract area falls within the territorial disputed area of the West Philippine Sea.

On July 3, 2018, the DENR issued Administrative Order No. 2018-13 lifting the moratorium on the acceptance, processing and/or approval of applications for Exploration Permit under DENR Memorandum Order No. 2016-01. With the lifting of the moratorium on exploration permit processing, the DENR can proceed with the evaluation of the Company's existing exploration permit application in Agusan del Norte which the company filed on October 29, 2013. The company had previously complied with the orders of the Mines and Geosciences Bureau (MGB) relative to its EPA by filing two 2 revisions as well as paying the filing fee assessed by MGB. The MGB was in the process of evaluating the company's EPA when the DENR issued Memorandum Order 2016-01 ordering a moratorium on new mining applications. With the lifting of the said moratorium, the MGB is set to endorse the application to its Regional Office in Agusan del Norte which will then require the company to submit additional requirements before approving the same.

On 20 November 2018, during the state visit of Chinese President Xi Jinping to the Philippines, the Philippines and China exchanged a Memorandum of Understanding (MOU) on oil and gas development in the West Philippine Sea. In the said MOU, both countries agreed to establish an Inter-Governmental Joint Steering Committee which will be responsible for negotiating and agreeing the cooperation arrangements and the maritime areas to which they will apply. Both countries endeavoured to agree on the cooperation arrangements within 12 months from the execution of the Memorandum of Understanding. The signing of the MOU gives hope that the territorial dispute between the Philippines and China in the West Philippine Sea will be resolved and Forum can obtain the necessary authorization from the Philippine Government to perform its drilling programs within the territory covered by SC72.

Research and Development Activities

The Company does not allocate specific amounts or fixed percentages for research and development. The allocation for such activities may vary depending on the nature of the project.

Total cost incurred, including exploration and development works, during calendar years 2013 to 2021 amounted to P5.2 million broken down as follows:

Period	Revenue	Exploration Development and Environmental Cost	Percentage on Revenue
CY 2013	-	165,450	nil
CY 2014	-	2,456,558	nil
CY 2015	-	1,593,983	nil
CY 2016	-	976,428	nil
CY 2017	-	-	-
CY 2018	-	-	-
CY 2019	-	-	-
CY 2020	-	-	-
CY 2021	-	-	-
Total	-	5,192,419	

The above-mentioned expenses were incurred pursuant to the mandatory requirement to conduct annual assessment works, i.e. reconnaissance and semi-detailed exploration works such as geological mapping, sampling, opening up of assessment tunnels, ore reserve development and assaying of samples, etc., to prove mineable ore reserve, as provided under

the Philippine Bill of 1902, Presidential Decree No. 463, the New Mining Code, and applicable laws, rules and regulations. On 8 July 2016, the DENR issued Memorandum Order 2016-01 ordering a moratorium on the approval of new mining projects which effectively halted all exploration works of the company. The said moratorium was lifted only on July 3, 2018. There were still no exploration works after the moratorium was lifted in 2018 because the company is still awaiting the official endorsement of the EPA by the Mines and Geosciences Bureau to its Regional Office in Agusan Del Norte.

Compliance with Environmental Laws

The Company is currently not operating a mine or oil project. In the event that it does, all necessary pollution control and environmental protection measures will be set in place.

Competition

The Company is currently not operating a mine or oil project.

Risk Factors

The Company's profitability is dependent on the performance of its subsidiary ABSTC and affiliate Forum.

Financial Risk Management

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

- Credit Risk
- Liquidity Risk
- Market Risk

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

The Company's risk management policies are established to identify and analyze the risks faced by the Company, 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 Company are incorporated in the annual operating budget. Mitigating strategies and procedures are also devised to address the results. The Company, 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 Company's Board of Directors reviews and institutes policies for managing each of the risks.

Credit Risk

Credit risk represents the risk of loss the Company would incur if credit customers and counterparties fail to perform their contractual obligations. The Company's credit risk arises principally from the Company's cash in banks and cash equivalents, trade receivables and refundable deposits.

Receivables which are neither past due nor impaired are of good quality. These are from clients that pay on time or even before maturity date.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company 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 Company'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 Company'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 Company is subject to transaction and translation exposures resulting from currency exchange fluctuations. The Company regularly monitors outstanding financial assets and liabilities in foreign currencies and maintains them at a level responsive to the changes in current exchange rates.

Capital Management

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

The Company monitors capital on the basis of debt-to-equity ratio which is calculated as total debt divided by total equity. Total debt comprises of accounts payable and accrued expenses, other current liabilities and due to related parties. Total equity comprises all components of equity.

Mining Claims

The Company does not have any existing mining claim.

Item 2: Description of Properties

Other than its shareholdings in ABSTC and in Forum (through Tidemark), the Company does not own any other significant property.

Item 3: Legal Proceedings

The Company is not involved in any legal proceeding.

Item 4: Submission of Matters to a Vote of Security Holders

During the 2021 Annual Meeting of Stockholders, the security holders present and represented (representing more than 2/3 of the Company's outstanding capital stock) approved the appointment of Reyes, Tacandong & Co. as the Company's external auditor.

The following were elected as members of the Company's Board of Directors for 2020-2021:

Roberto V. Ongpin
Eric O. Recto
Walter W. Brown
Anna Bettina Ongpin
Michael Angelo Patrick M. Asperin
Dennis O. Valdes
Mario A. Oreta
Paul Francis B. Juat
John Peter Chick B. Castelo
Dennis A. Uy – Independent Director
Margarito B. Teves – Independent Director

PART II - OPERATIONAL AND FINANCIAL INFORMATION

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

A. Market Information

1. Principal Market – PSE

The Company's common shares are traded in the PSE. As of last trading date for May 6, 2021 the closing price of the shares of the Company is Php8.85. The high and low sale prices of the shares for each quarter within the last three (3) years are:

Quarter Ended	High	Low
03.31.22 – 1 st Quarter	6.39	5.52
12.31.21 - 4 th Quarter	7.00	5.11
09.30.21 – 3 rd Quarter	8.90	5.89
06.30.21 – 2 nd Quarter	10.92	7.90
03.31.21 – 1 st Quarter	10.30	5.10
12.31.20 - 4 th Quarter	17.20	6.66
09.30.20 – 3 rd Quarter	10.20	7.01
06.30.20 – 2 nd Quarter	10.18	9.84
03.31.20 – 1 st Quarter	10.86	10.50
12.31.19 - 4 th Quarter	10.96	10.50
09.30.19 – 3 rd Quarter	11.80	11.06
06.30.19 – 2 nd Quarter	12.80	12.38
03.31.19– 1 st Quarter	13.10	12.56

[Data taken from the Philippine Stock Exchange, Inc.(edge.pse.com.ph)]

B. Holders

Approximate Number of Shareholders of Each Class of Common Security as of December 31, 2021:

The Company has 4,179 stockholders as of December 31, 2021.

The Top 20 Registered Stockholders of the Company as of December 31, 2021 are:

The list of the top twenty (20) registered shareholders is as follows:

	No. of Shares	%
1. Boerstar Corporation	1,775,218,804	69.75%
2. North Kitanglad Agricultural Co., Inc. (NKACI)	309,000,000	12.14%
3. PCD Nominee Corporation	216,971,068	8.53%
4. Strong Gain Enterprises Limited	119,500,000	4.70%
5. Progressive Development Corporation	93,963,474	3.69%
6. Power Merchant International Limited	26,000,000	1.02%
Carroll, Charles F., Trustee Carroll Family Trust FBO		
7. Charles F. Carroll	593,200	0.02%
8. Braasch, Herbert	84,884	0.00%
9. Baron, Rose A. & William J. Baron, Jtwros	81,197	0.00%
10. Araneta, Jorge L.	73,535	0.00%
11. McLarney, Jane Mary & Timothy P. McLarney	70,875	0.00%
12. Silbert, Solomon S. & Claire B. Silbert, Jten etc.	56,567	0.00%
13. Cohen, Sy R. & Barbara Cohen, Jtwros	43,195	0.00%
14. Steiner, Norma	38,656	0.00%
15. Loo Ngo Kue	36,020	0.00%
16. Pua, Luis	35,542	0.00%
Cunningham, Edmund F. & Pauline F. Cunningham,		
17. Jtwros	33,275	0.00%
18. Fores, Maria Lourdes A.	29,840	0.00%
19. Roxas, Judy A.	29,840	0.00%
20. Anulis, Evelyn	26,753	0.00%

Total issued and outstanding share) –
2,545,000,000

NOTE: NKACI has 13,654,700 shares lodged with PCD Nominee Corporation. In all, NKACI owns 322,654,700 shares representing 12.68% of the total outstanding shares of the Company.

C. Beneficial Owner of More than 5% of Any Class of the Registrant's Common Equity

(1) TITLE OF CLASS	(2) NAME AND ADDRESS OF RECORD OWNER AND RELATIONSHIP WITH ISSUER	(3) NAME OF BENEFICIAL OWNER AND RELATIONSHIP WITH RECORD OWNER	(4) CITIZENSHIP	(5) NUMBER OF SHARES	(6) PERCENT TO TOTAL OUTSTANDING
Common	Boerstar Corporation* 6766 Ayala Avenue corner Paseo de Roxas, Makati City (Stockholder)	Roberto V. Ongpin – Beneficial Owners	Filipino	1,485,685,983	58.38%
Common	Boerstar Corporation* 6766 Ayala Avenue corner Paseo De Roxas, Makati City (Stockholder)	Eric O. Recto – Beneficial Owner	Filipino	289,532,821	11.38%
Common	North Kitanglad Agricultural Co., Inc. KalugmananManoloFortich, Bukidnon (Stockholder)	Walter W. Brown – controlling shareholder	Filipino	309,000,000**	12.68%
Common	PCD Nominee Corporation (Stockholder)	Public hareholders – beneficial owner	Filipino	216,206,463	8.50%

* All shares subscribed by Boerstar Corporation, both fully paid-up and partially paid. The total fully paid-up shares amount to 584,241,964.

Except as stated above, the Board of Directors and Management of the Company have no knowledge of any person who, as at Record Date, is indirectly or directly the beneficial owner of more than 5% of the Company's outstanding shares of common stock or who has voting power or investment power with respect to shares comprising more than five percent of the outstanding shares of common stock. As of March 31, 2021, there are no persons holding more than 5% of the Company's common stocks that are under a voting trust or similar agreement.

D. Dividends

The Company has not declared any dividends during the last three (3) years.

The Company's Amended By-Laws provides that its Board of Directors may declare dividends only from surplus profits arising from the business of the Company, in accordance with the preferences constituted in favor of preferred stock when and if such preferred stock be issued and outstanding. Restrictions under the Corporation Code of the Philippines also limit the Company's power to declare dividends.

Item 6: Management's Discussion and Analysis of Financial Condition and Results of Operations for the Last Three Years

Financial Condition

a) 2021 Financial Condition

As of December 31, 2021, the Company's consolidated assets amounted to ₱843.9 million as compared to ₱529.7 million as of December 31, 2020. On the other hand, the Company's liabilities as of December 31, 2021 decreased to ₱1.2 million from ₱8.9 million as of December 31, 2020.

Cash and cash equivalents totalling ₱93.8 million as of December 31, 2021 showed a increase of ₱79.4 million from ₱14.4 million as of December 31, 2020, mainly due to Payment by NKACI for capital stock subscriptions amounting to ₱294 million which was offset by ₱194.7 million remaining advances, settlement of USD150,000 loan from shareholders and capital infusion to Tidemark.

Receivables decreased from ₱2.1 million as of December 31, 2020 to ₱1.7 million as of December 31, 2021 is attributable to instruction of management to collect long outstanding receivables of the group.

Investment in associate showed an increase of ₱39.6 million from ₱501.4 million as of December 31, 2020 to ₱541 million as of December 31, 2021 due to the foreign exchange differences on translation of the financial statements of Tidemark and the share in net loss of operations of FEL.

Equity investment designated as fair value through FVOCI is measured at nil as of December 31, 2021 due to deficit performance of the investee.

Property and equipment decreased by ₱19,995 due to the depreciation expense of the additional computer set for used in operations.

Payables and other current liabilities decreased by ₱7.8 million due settlement of advances made by the group to certain stockholders of the Group in 2020.

Stockholders' Equity increased from ₱521 million at the end of 2020 to ₱842.9 million as of December 31, 2021 primarily due to the increase in foreign exchange difference on translation of the financial statements of Tidemark.

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

	As of December 31		Increase (Decrease)	
	2021 (Audited)	2020 (Audited)	Amount	%
ASSETS				
Current Assets				
Cash and cash equivalents	93,846,057	14,364,676	79,481,381	553.31%
Receivables	1,745,021	2,124,594	(379,573)	-17.87%
Advances to Stockholders	194,865,252	-	194,865,252	100.00%
Other current assets	10,839,256	10,367,908	471,348	4.55%
Total Current Assets	301,295,586	26,857,178	274,438,408	1021.84%
Noncurrent Assets				
Investment in an associate	541,013,887	501,431,573	39,582,313	7.89%
Equity investment designated as fair value through other comprehensive income (FVOCI)	-	-	-	0.00%
Property and equipment	27,836	47,833	(19,997)	-41.81%
Advances to mining right holders	1,525,000	1,525,000	-	0.00%
Total Noncurrent Assets	542,566,722	503,004,406	39,562,316	7.87%
	843,862,308	529,861,584	314,000,724	59.26%
LIABILITIES AND EQUITY				
Current Liabilities				
Payables and other current liabilities	1,087,791	8,861,864	(7,774,073)	-87.73%
Income Tax Payable	3,270	-	3,270	0.00%
Total Current Liabilities	1,091,061	8,861,864	(7,770,803)	-87.69%
Noncurrent Liabilities				
Deferred Tax Liability	41,588	-	41,588	100.00%
Total Liabilities	1,132,649	8,861,864	(7,729,215)	-87.22%
Equity				
Capital stock	1,354,023,160	1,060,000,000	294,023,160	27.74%
Deficit	(634,816,028)	(604,933,236)	(29,882,792)	4.94%
Cumulative translation adjustment	123,522,527	65,932,956	57,589,571	87.35%
Total Equity	842,729,659	520,999,720	321,729,939	61.75%
	843,862,308	529,861,584	314,000,724	59.26%

b) 2020 Financial Condition

As of December 31, 2020, the Company's consolidated assets amounted to ₱529.7 million as compared to ₱585.1 million as of December 31, 2019. On the other hand, the Company's liabilities as of December 31, 2020 increased to ₱8.9 million from ₱1.0 million as of December 31, 2019.

Cash and cash equivalents totalling ₱14.4 million as of December 31, 2020 showed a decrease of ₱21.6 million from ₱36.0 million as of December 31, 2019, mainly due to Group's subscription of 1,666,666 previously unissued ordinary shares of FEL at USD0.30 per share or a total of USD0.5 million.

Receivables increased from ₱1.7 million as of December 31, 2019 to ₱2.1 million as of December 31, 2020 is attributable to the difficulty in collecting the receivables due to COVID-19 pandemic.

Investment in associate showed a decrease of ₱32.2 million from ₱533.6 million as of December 31, 2019 to ₱501.4 million as of December 31, 2020 due to the foreign exchange differences on translation of the financial statements of Tidemark and the share in net loss of operations of FEL. This was offset by the additional subscription to the unissued shares of FEL.

Equity investment designated as fair value through FVOCI is measured at nil as of December 31, 2020 due to deficit performance of the investee.

Property and equipment increased by ₱33,702 due to addition of computer set for used in operations.

Payables and other current liabilities increased by ₱7.9 million due to advances made by certain stockholders of the Group in 2020.

Stockholders' Equity decreased from ₱584.1 million at the end of 2019 to ₱521.0 million as of December 31, 2020 primarily due to the deficit performance of the Group and the decrease in foreign exchange difference on translation of the financial statements of Tidemark.

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

	As of December 31		Increase (Decrease)	
	2020 (Audited)	2019 (Audited)	Amount	%
ASSETS				
Current Assets				
Cash and cash equivalents	14,364,676	35,988,974	(21,624,298)	-60.09%
Receivables	2,124,594	1,729,405	395,189	22.85%
Other current assets	10,367,908	10,016,887	351,021	3.50%
Total Current Assets	26,857,178	47,735,266	(20,878,088)	-43.74%
Noncurrent Assets				
Investment in an associate	501,431,573	533,636,747	(32,205,174)	-6.04%
Equity investment designated as fair value through other comprehensive income (FVOCI)	-	2,152,285	(2,152,285)	-100.00%
Property and equipment	47,833	14,131	33,702	238.50%
Advances to mining right holders	1,525,000	1,525,000	-	0.00%
Deferred tax asset	-	-	-	
Total Noncurrent Assets	503,004,406	537,328,163	(34,323,757)	-6.39%
	529,861,584	585,063,429	(55,201,845)	-9.44%
LIABILITIES AND EQUITY				
Current Liabilities				
Payables and other current liabilities	8,861,864	1,005,006	7,856,858	781.77%
Equity				
Capital stock	1,060,000,000	1,060,000,000	-	0.00%
Deficit	(604,933,236)	(594,518,284)	(10,414,952)	1.75%
Cumulative translation adjustment	65,932,956	118,576,707	(52,643,751)	-44.40%
Total Equity	520,999,720	584,058,423	(63,058,703)	-10.80%
	529,861,584	585,063,429	(55,201,845)	-9.44%

Operational Results

a) 2021 Operational Results

2021 operations resulted to ₱27.7 million total comprehensive income compared to ₱63.1 million total comprehensive loss in 2020. The total difference of ₱90.8 million was brought about by the following:

- 1) +₱19.5 million; increase in share in the net loss of operations of an associate (Tidemark),
- 2) -₱0.3 million; decrease in the interest income.
- 3) -₱108.1 million; increase in the foreign exchange gain on translation of the financial statements of an associate (Tidemark).
- 4) -₱2.2 million; fair value gain on the remeasurement of equity instrument designated as FVOCI.

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

	For the Years Ended December 31		Increase (Decrease)	
	2021 (Audited)	2020 (Audited)	Amount	%
GENERAL AND ADMINISTRATIVE EXPENSES	5,338,223	5,076,924	261,299	5.15%
OTHER INCOME (EXPENSES)				
Share in the net results of operations of an associate	(26,647,883)	(7,118,698)	(19,529,185)	274.34%
Service fees	1,583,620	1,454,020	129,600	8.91%
Interest income	132,423	428,882	(296,459)	69.12%
Others	494,975	(1,424)	496,399	34859.49%
	(24,436,865)	(5,237,220)	(19,199,645)	366.60%
LOSS BEFORE INCOME TAX	(29,775,087)	(10,314,144)	(19,460,943)	-188.68%
PROVISION FOR INCOME TAX	107,704	100,808	6,896	6.84%
NET LOSS	(29,882,792)	(10,414,952)	(19,467,840)	-186.92%
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 of an associate	57,589,571	(50,491,466)	108,081,037	214.06%
<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	-	(2,152,285)	2,152,285	-100.00%
TOTAL COMPREHENSIVE INCOME (LOSS)	27,706,779	(63,058,703)	90,765,482	143.94%
BASIC AND DILUTED LOSS PER SHARE	(0.0117)	(0.0041)	(0.0076)	-186.92%

b) 2020 Operational Results

2020 operations resulted to ₱63.1 million total comprehensive loss compared to ₱86.9 million total comprehensive income in 2019. The total difference of ₱23.9 million was brought about by the following:

- 5) +₱39.2 million; decrease in share in the net loss of operations of an associate (Tidemark),
- 6) -₱0.6 million; decrease in the interest income brought about by decrease in average cash and cash equivalents in 2020.
- 7) -₱12.9 million; increase in the foreign exchange loss on translation of the financial statements of an associate (Tidemark).
- 8) -₱2.2 million; fair value loss on the remeasurement of equity instrument designated as FVOCI.

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

	For the Years Ended December 31		Increase (Decrease)	
	2020 (Audited)	2019 (Audited)	Amount	%
GENERAL AND ADMINISTRATIVE EXPENSES	5,076,924	5,412,465	(335,541)	-6.05%
OTHER INCOME (EXPENSES)				
Share in the net results of operations of an associate	(7,118,698)	(46,341,640)	39,222,942	-84.64%
Service fees	1,454,020	1,472,540	(18,520)	-1.26%
Interest income	428,882	1,026,904	(598,022)	-58.24%
Others	(1,424)	10,709	(12,133)	-113.30%
	(5,237,220)	(43,831,487)	38,594,267	-88.05%
LOSS BEFORE INCOME TAX	(10,314,144)	(49,243,952)	38,929,808	-79.06%
PROVISION FOR INCOME TAX				
Current	100,808	149,440	(48,632)	-32.54%
Deferred	-	-	-	100.00%
NET LOSS	(10,414,952)	(49,393,392)	38,978,440	-78.91%
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 of Tidemark Holdings Limited	(50,491,466)	(37,597,971)	(12,893,495)	34.29%
<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	(2,152,285)	47,041	(2,199,326)	-4675.34%
TOTAL COMPREHENSIVE INCOME (LOSS)	(63,058,703)	(86,944,322)	23,885,619	-27.47%
BASIC AND DILUTED LOSS PER SHARE	(0.0041)	(0.0194)	0.0153	-78.91%

c) 2019 Operational Results

2019 operations resulted to ₱86.4 million total comprehensive loss compared to 36.0 million total comprehensive income in 2018. The total difference of ₱122.9 million was brought about by the following:

- 1) ₱39.2 million; decrease in share in the net loss of operations of an associate (Tidemark),
- 2) -₱1.0 million; decrease in the services fee brought about by the one-time service rendered to a company in 2018.
- 3) -₱88.8 million; decrease in the foreign exchange differences on translation of the financial statements of an associate (Tidemark).

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

	For the Years Ended December 31		Increase (Decrease)	
	2019 (Audited)	2018 (Audited)	Amount	%
GENERAL AND ADMINISTRATIVE EXPENSES	5,412,465	5,548,469	(136,004)	-2.45%
OTHER INCOME (EXPENSES)				
Share in the net results of operations of an associate	(46,341,640)	(12,864,143)	33,477,497	-260%
Service fees	1,472,540	2,474,560	(1,002,020)	-40%
Interest income	1,026,904	940,150	86,754	9%
Others	10,709	1,523	9,186	603%
	(43,831,487)	(9,447,910)	34,383,577	-364%
LOSS BEFORE INCOME TAX	(49,243,952)	(14,996,379)	34,247,573	-228%
PROVISION FOR INCOME TAX	149,440	331,311	(181,871)	-55%
NET LOSS	(49,393,392)	(15,327,690)	34,065,702	-222%
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Item that will be reclassified subsequently to profit or loss -</i>				
Foreign exchange differences on translation of the financial :	(37,597,971)	51,199,326	(88,797,297)	-173%
<i>Item that will be reclassified subsequently to profit or loss -</i>				
Fair value remeasurement on equity instrument designated	47,041	105,294	(58,253)	-55%
TOTAL COMPREHENSIVE INCOME (LOSS)	(86,944,322)	35,976,930	(122,921,252)	-342%
BASIC AND DILUTED LOSS PER SHARE	(0.0194)	(0.0060)	0.0134	-222%

Key Performance Indicators

The Company's key performance indicators and their manner of computation are as follows:

		Manner of Calculation	As of		
			December 31, 2021	December 31, 2020	December 31, 2019
CURRENT/LIQUIDITY RATIO			276.15:1	3.03:1	47.50:1
Current assets	Current assets	301,295,586	26,857,178	47,735,266	
Current liabilities	divided by current liabilities	1,091,061	8,861,864	1,005,006	
SOLVENCY RATIO		(27.37):1	(1.17):1	(49.13):1	
Net loss after tax	The sum of net loss after tax	(29,882,792)	(10,414,952)	(49,393,392)	
less depreciation	less depreciation	19,996	11,848	13,823	
and impairment losses	and impairment losses				
Total liabilities	divided by total liabilities	1,091,061	8,861,864	1,005,006	
DEBT TO EQUITY RATIO		0.001:1	0.017:1	0.002:1	
Total liabilities	Total liabilities	1,091,061	8,861,864	1,005,006	
Total equity	divided by total equity	842,729,659	520,999,720	584,058,423	
ASSET TO EQUITY RATIO		1.00:1	1.02:1	1.00:1	
Total assets	Total assets	843,862,308	529,861,584	585,063,429	
Total equity	divided by total equity	842,729,659	520,999,720	584,058,423	
INTEREST RATE COVERAGE RATIO		-	-	-	
Income before interest and taxes	Income before taxes and interest	(29,775,087)	(10,314,144)	(49,243,952)	
Interest expense	divided by interest expense	-	-	-	
PROFITABILITY RATIO		(0.04):1	(0.02):1	(0.08):1	
Net loss after tax	Net loss after tax	(29,882,792)	(10,414,952)	(49,393,392)	
Total equity	divided by total equity	842,729,659	520,999,720	584,058,423	

Current/liquidity ratio – The ratio increased from 278.7 to 47.50 due to major increase in Cash and Cash Equivalents by 553.31% and decrease in current liabilities by 87.8%.

Solvency ratio –The ratio moved from (1.17) to (27.58) due to higher net loss incurred in 2021 as compared to 2020, from ₱10.4 million to ₱29.8 million. This is caused primarily by the increase in share in the net loss of operations of its associate, Tidemark.

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 (0.02) to (0.04) due to higher net loss incurred from ₱10.4 million to ₱29.8 million. This is caused primarily by the decrease in share in the net loss of operations of its associate, Tidemark.

Plan of Operation for the Next Twelve (12) Months

The Company is hoping to get the government approval for its application for 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 activities. From November 2013 to 31 December 2018, the mining exploration cost of the Company is Php 5,192,419.00.

Plans involving oil and gas exploration have been shelved in relation the uncertainty in supply and demand situation. SC72 (Recto Bank) is still kept on hold depending on the outcome of Philippine Government initiatives involving West Philippine Sea. The DOE has granted a force majeure on SC72 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.

The Company 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 Company 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 Company's mission 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 remains.

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

Item 7. Financial Statements

Please see the attached Company's Audited Financial Report as of 31 December 2021 and its supplementary schedules, as well as the Company's audited Statement of Income and Cash Flows for each of the three (3) preceding years.

There are no changes in, or disagreements with, the accountants on accounting and financial disclosure.

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

A. Audit and Audit Related Fees

The Company's independent certified public accountant ("ICPA") for 2021 and 2020 is Reyes Tacandong & Co. and the engagement partner is Mr. Arthur Vinson U. Ong.

The aggregate External Audit Fees (MC No. 14, Series of 2004) billed for each of the last three (3) years, for the audit of the annual financial statements and services that are normally provided by the External Auditor, are as follows:

<u>Year</u>	<u>Amount</u>
2019	200,000
2020	300,000
2021	300,000

The above-mentioned audit fees are inclusive of: (a) other assurance and related services by the External Auditor that are reasonably related to the performance of the audit; and (b) review of the Company's financial statements, exclusive of tax fees and/or representation fees for legal matters.

The Audit Committee makes recommendations to the Board of Directors concerning the external auditors and pre-approves audit plans, scope and frequency before the conduct of the external audit.

The auditor of the Company conducted its audit in accordance with auditing standards generally accepted in the Philippines with the objective of expressing an opinion as to whether the presentation of the financial statements, taken as a whole, conforms to accounting principles generally accepted in the Philippines. They performed tests of the accounting records and such other procedures, as they considered necessary in the circumstances to provide a reasonable basis for an opinion on the financial statements. They also assessed the accounting principles used and significant estimates made by management and evaluated overall financial statements presentation.

The auditor also considered the Company's internal control in order to determine the nature, timing and extent of the audit procedures for the purpose of expressing an opinion on the financial statements. There were no audit fees related to this.

There were no products and services provided by the external auditor other than the services reported under the above items.

There were no disagreements between the auditor and the Company with respect to the accounting/auditing issues raised during the year.

B. Audit Committee Policies and Procedure – External Audit Services and Fees Policies:

1. An external auditor is selected and appointed by the stockholders upon recommendation of the Audit Committee through the Board of Directors.
2. All proposed professional fees from the external auditor for professional services are to be approved by the Board of Directors through the Audit Committee.

3. The Audit Committee is to pre-approve the scope of proposed professional services and/or audit plans of the external auditor.

Procedure:

1. A proposal for the appointment of an external auditor is submitted by the external auditor.
2. The stockholders, during their annual stockholders' meeting, shall appoint the external auditor upon recommendation of the Audit Committee through the Board of Directors.
3. All proposed professional fees shall be submitted to the Audit Committee, outlining the scope of work, deadlines and other pertinent information.
4. The Audit Committee reviews and decides on the proposal.
5. The acceptance of the proposal is forwarded to the Board of Directors and formally communicated to the external auditor.
6. After the external auditor renders its services, the Audit Committee evaluates and reviews its final reports to ensure compliance with the service agreement.
7. The Audit Committee submits to the Board of Directors all significant items and findings in the external auditor's report.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

Directors, Executive Officers, Promoters and Control Persons

The names of the Directors and Executive Officers of the Corporation as of December 31, 2021 and their respective ages, positions held, and periods of service are as follows:

Name	Age	Position	Period During Which the Individual has Serves as Such
Roberto V. Ongpin	85	Chairman of the Board, Chief Executive Officer and Director	12 November 2009 to Present
Dennis A. Uy	48	Vice Chairman and Independent Director	31 May 2018 to present
Eric O. Recto	58	Vice Chairman, President and Director	10 December 2009 to Present; 1 September 2016 to Present 12 November 2009 to Present;
Walter W. Brown	82	Executive Vice President and Director	31 May 2018 to present; 10 December 2009 to Present
Michael Angelo Patrick M. Asperin	63	Director	28 August 2014 to Present
John Peter Chick B. Castelo	55	Director	28 August 2014 to Present
Anna Bettina Ongpin	57	Director	16 August 2013 to Present
Mario A. Oreta	75	Director	12 November 2009 to Present
Dennis O. Valdes	60	Director	12 November 2009 to Present
Margarito B.	78	Independent Director	26 May 2011 to Present

Teves			
Paul Francis B. Juat	29	Director	31 May 2018 to Present
Charles Edward M. Cheng	41	Corporate Information Officer and Compliance Officer Corporate Secretary	30 June 2021 to present
Josephine A. Manalo	79	Treasurer	11 August 2015 to present
Cristina B. Zapanta	58	Compliance Officer-anti Money Laundering Manual and Vice President for Finance	31 May 2016 to Present
Jonamel G. Israel-Orbe	49	Corporate Information Officer; Deputy Compliance Officer and Assistant Corporate Secretary	As Assistant Corporate Secretary, 28 August 2014; As Corporate Information Officer and Deputy Compliance Officer, 13 December 2013 to present

Following are information on the educational attainment, business experience for the last five years and other directorships held in other companies credentials of each of the above-named Directors and Officers, and present nominees for membership in the Board of Directors of the Corporation:

ROBERTO V. ONGPIN, *Chairman of the Board, Chief Executive Officer and Director*

Mr. Ongpin, Filipino, 85 years old, was elected Director and Chairman of the Board on 12 November 2009. He is also the Chairman of Alphaland Corporation, a former Chairman of Philweb Corporation, a former Director of San Miguel Corporation, PAL Holdings, Inc. and Petron Corporation. He was the former Chairman of Alphaland Balesin Island Club, Inc. In Hong Kong, he was the Non-Executive Director of Shangri-La Asia and the former Deputy Chairman of the South China Morning Post, both listed in the Hong Kong Stock Exchange. He is also the former Non-Executive Director of Forum Energy PLC (United Kingdom). Mr. Ongpin graduated cum laude in Business Administration from the Ateneo de Manila University, is a Certified Public Accountant and has an MBA from the Harvard Business School.

DENNIS A. UY, *Vice Chairman and Independent Director*

Mr. Uy, Filipino, 48 years old, was elected Independent Director and appointed as Vice Chairman of the Board of Directors on 31 May 2018. Mr. Uy is also the Founder, Chairman and CEO of UDENNA Corporation and Dito Telecommunity Corporation; Chairman of Dito CME Holdings Corp.; Chairman of Phoenix Petroleum Philippines, Inc. (PNX), Chelsea Logistics Holdings Corporation, Chairman of UDENNA Land, Inc., PH Resorts Group Holdings Corp.; Chairman and President of UDENNA Infrastructure Corp.; Chairman of Phoenix Philippines Foundation, UDENNA Foundation, Silad Atleta Pilipinas Sports Foundation and LIFE Fund. He was appointed Presidential Adviser on Sports in 2016, and has been an Honorary Consul of Kazakhstan to the Philippines since 2011. Mr. Uy is a graduate of De La Salle University with a degree in Business Management.

ERIC O. RECTO, *President and Director*

Mr. Recto, Filipino, 58 years old, was elected Director on 12 November 2009 and appointed as Director on 10 December 2009. He is presently the President of Atok-Big Wedge Co., Inc., the Chairman of the Philippine Bank of Communications in 2012. He is presently Chairman and President of Bedfordbury Development Corporation; Chairman and President of Optimum Dev't. Holdings Phils., Inc.; Independent Director of Aboitiz Power Corporation and PH Resorts Group

Holdings, Inc.; Director of DITO CME Holdings Corp. (formerly ISM Communications Corporation); and a Member of the Board of Supervisors of Acentic GmbH. Mr. Recto served as Undersecretary of Finance of the Republic of the Philippines from 2002 to 2005, in charge of handling both the International Finance Group and the Privatization Office. Before his stint with the government, he was Chief Finance Officer of Alaska Milk Corporation and Belle Corporation. Mr. Recto has a degree in Industrial Engineering from the University of the Philippines as well as an MBA from the Johnson School, Cornell University.

WALTER W. BROWN, *Executive Vice-President and Director*

Dr. Brown, 82 years old, Filipino, was elected Director on 10 December 2009. He is presently the Executive Vice-President of Atok-Big Wedge Co., Inc. He is also the President and CEO of Apex Mining Co., Inc.; the Chairman of A Brown Company, Inc.; Palm Thermal Consolidated Holdings Corporation; International Cleanenvironment Systems, Inc.; North Kitanglad Agricultural Company, Inc.; PhiGold; and A Brown Energy & Resources Dev't. Inc.; President of Monte Oro Resources and Energy Inc.; and PBJ Corporation. He received two undergraduate degrees: B.S. Physical Science (1959) and B.S. Geology (1960), both from the University of the Philippines, and post graduate degrees from Stanford University: M.S. Economic Geology (1963), and Ph.D in Geology, and Major in Geochemistry (1965). He was a candidate in master of Business Economics (1980) from the University of Asia & the Pacific (formerly Center for Research & Communications). He is currently the Chairman and Director of Family Farm School (PPAI), Chairman and President of Studium Theologiae Foundation, Vice Chairman of the Board of Trustees of Xavier University, and the Geological Society of the Philippines.

MICHAEL ANGELO PATRICK M. ASPERIN, *Director*

Mr. Asperin, Filipino, 63 years old, was elected Director on 28 August 2014. He is a Director and Chief Operating Officer of Alphaland Corporation and also handles the operations of the aviation and security divisions of the Alphaland Group of Companies. He is also the President and Chief Executive Officer of Alphaland Balesin Island Club, Inc. (ABICI). Prior to joining Alphaland, he served in Philweb Corporation from 2009 to 2012 as Senior Vice President for Enterprise Risk Management. He graduated from the Philippine Military Academy in 1981.

JOHN PETER CHICK B. CASTELO, *Director*

Mr. Castelo, Filipino, 55, was elected Director on 28 August 2014. He is presently the Senior Vice President for Business Development of Araneta Center Inc. and sits in the board of its various subsidiaries and affiliates. He had 27 years of experience in real estate and finance industries. He earned his Masters in Business Administration and Degree in Bachelor of Science in Electrical Engineering from the University of the Philippines in Diliman.

PAUL FRANCIS B. JUAT, *Director*

Mr. Juat, Filipino, 29 years old, was elected Director on 31 May 2018. He is a director of Brownfield Holdings Corporation, North Kitanglad Agricultural Company, Inc., PBJ Corporation, and Pacific Bougainville Holdings Corporation. He also currently serves as Assistant to the President of Apex Mining Co., Inc. He holds a Bachelor's Degree in Industrial Engineering from the University of the Philippines, Diliman.

ANNA BETTINA ONGPIN, *Director*

Ms. Ongpin, Filipino, 57 years old, was elected Director on 16 August 2013. She is also currently the Vice-Chairman, Assistant to the Chairman and Director of Alphaland Corporation.

She too is the Chairman of Alphaland Balesin Island Club, Inc.; Chairman and President of The City Club at Alphaland Makati Place, Inc.; and Chairman of The Alpha Suites. Ms. Ongpin has more than thirty years of communications, marketing, project management, and operations experience in the management consulting and media fields. She holds a Bachelor's Degree in Political Science from Wellesley College.

MARIO A. ORETA, *Director*

Mr. Oreta, Filipino, 75 years old, was elected Director on 12 November 2009. He is also a Director of Alphaland Corporation and The City Club at Alphaland Makati Place, Inc. He served as President of Alphaland Corporation from 2007 to 2016. He graduated with honors from the Ateneo De Manila University with a degree in Bachelor of Laws and immediately joined the law firm of Siguion Reyna, Montecillo and Ongsiako after graduating from law school. He is the managing partner of The Law Firm of Mario A. Oreta and Partners.

DENNIS O. VALDES, *Director*

Mr. Valdes, Filipino, 60 years old, was elected Director on 12 November 2009. He is presently the President and a Director of Alphaland Corporation. His previous work experience includes 14 years with PhilWeb Corporation, ten years with the Inquirer Group of Companies, and six years with The NutraSweet Company. He is a certified public accountant, graduated *magna cum laude* in Business Administration and Accountancy from the University of the Philippines, and has an MBA degree from the Kellogg School of Management, Northwestern University.

MARGARITO B. TEVES, *Independent Director*

Mr. Teves, Filipino, 78 years old, was elected Independent Director on 26 May 2011. He is also an Independent Director of Alphaland Corporation, Alphaland Balesin Island Club, Inc. and The City Club at Alphaland Makati Place, Inc. He is currently the Independent Director of Petron, Atlantic Aurum Investments Philippines Corporation and San Miguel Corporation. He was formerly Secretary of the Department of Finance, Landbank President and CEO, and a Member of the House of Representatives (representing the 3rd District of Negros Oriental). He obtained a Higher National Diploma (HND) in Business Studies, equivalent to a BSC in Business Economics, from the City of London College, and a Master of Arts (MA) in Development Economics from the Center for Development Economics, Williams College, Massachusetts, USA. He was conferred an Honorary Degree, Doctor of Laws, by Williams College, and named Senior Adviser to the China-Asean Economic and Culture Research Center and Visiting Professor at the Guilin University of Electronic Technology in China.

JOSEPHINE A. MANALO, *Treasurer*

Ms. Manalo, Filipino, 79 years old, was appointed Treasurer on 11 August 2015. She is connected with Alphaland Corporation as Executive Assistant to the Chairman. She also works in various capacities for Mr. Roberto V. Ongpin's Group of Companies. She has a Bachelor of Science in Business Administration degree from St. Theresa's College, Manila.

CRISTINA B. ZAPANTA, *Senior Vice President for Finance and Compliance Officer for Anti-Money Laundering Manual*

Ms. Zapanta, Filipino, 58 years old, was appointed Vice President for Finance and Compliance Officer for Anti-Money Laundering Manual on 31 May 2016. She is presently the Company's Senior Vice President for Finance. She is also the Senior Vice President for Finance of Alphaland Corporation; Alphaland Balesin Island Resort Corporation; Alphaland Balesin Island Club, Inc.; Alphaland Makati Place, Inc. and Alphaland Southgate Tower, Inc. Prior to joining the Company, she was the Finance and Administration Head of Connectivity Unlimited Resources Enterprise, Inc. (2006-2008) and Accounting Head of Belle Corporation (1997-2006). She has more than 30 years solid experience in Finance, of which over half is in the real estate industry. She is a Certified Public Accountant.

CHARLES EDWARD M. CHENG, *Corporate Information Officer, Compliance Officer, Corporate Secretary*

Atty. Cheng, Filipino, 41 years old, was appointed as Corporate Information Officer, Compliance Officer and Corporate Secretary on 30 June 2021. He is also connected with Alphaland Corporation as Assistant to the Chairman. Immediately prior to joining the Company, he served as Legal Counsel for Royal Dutch Shell PLC subsidiaries, including, among others, Shell Philippines Exploration B.V., Pilipinas Shell Petroleum Corporation and Shell Global Solutions International B.V. Before joining Shell, he was a Senior Associate in the Corporate and Special Projects Department of Villaraza Cruz Marcelo and Angangco (Carpio Villaraza Cruz). He finished his Bachelor of Science Degree in Management minor in Finance, Honorable Mention, from the Ateneo de Manila University and completed his L.I.B from the University of the Philippines College of Law in 2007, graduating with honors.

JONAMEL G. ISRAEL-ORBE, *Corporate Information Officer, Deputy Compliance Officer and Assistant Corporate Secretary*

Ms. Israel-Orbe, Filipino, 49 years old, was appointed as Corporate Information Officer and Deputy Compliance Officer on 13 December 2013 and appointed Assistant Corporate Secretary on 28 August 2014. Ms. Orbe is also the Assistant Corporate Secretary, Corporate Information Officer, Compliance Officer for Anti-Money Laundering Manual and Compliance Officer for Manual on Corporate Governance of Alphaland Corporation.

B. Term of Office

Under Article II, Section 1 of the Corporation's Amended By-Laws, the directors chosen by the stockholders of the Corporation entitled to vote at the annual meeting shall hold office for one (1) year until their successors are elected and shall have qualified.

C. Directorships in Other Reporting Companies

Mr. Roberto V. Ongpin also serves as Chairman of the Board of Alphaland Corporation.

Mr. Eric O. Recto is also a director of Dito CME Holdings Corp. (DITO). He is also an Independent Director of Aboitiz Power Corporation and PH Resorts Group Holdings, Inc..

Dr. Walter W. Brown is also the Chairman of A Brown Company, Inc. and a Director of Philippine Realty & Holdings Corporation.

Ms. Anna Bettina Ongpin is a director and the Vice Chairman of Alphaland Corporation. She is also the Chairman and President of The City Club at Alphaland Makati Place, Inc. and a director and Chairman of Alphaland Balesin Island Club, Inc.

Mr. Dennis O. Valdes, is the President of Alphaland Corporation, The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc.

Mr. Michael Angelo Patrick M. Asperin is a director and Chief Operating Officer of Alphaland Corporation. He is also the Chief Executive Officer and Island Director of Alphaland Balesin Island Club, Inc.

Mr. Margarito B. Teves is also an Independent Director of Alphaland Corporation, Philweb Corporation, The City Club at Alphaland Makati Place, Inc., and Alphaland Balesin Island Club, Inc.

Mr. Dennis A. Uy is the Chairman of Phoenix Petroleum Philippines, Inc. (PNX), Chairman, of DITO CME Holdings Corp. (DITO, formerly ISM Communications) and the Chairman of PH Resorts Group Holdings, Inc. and Chelsea Logistics Holdings Corp. (CLC). He is also a director of Alphaland Corporation.

Shares of DITO, PBC, PNX, and CLC are all listed in the Philippine Stock Exchange, Inc. Shares of Alphaland Corporation, The City Club at Alphaland Makati Place, Inc. and Alphaland Balesin Island Club, Inc. are covered by Registration Statements filed with the SEC.

D. Significant Employees

The Company considers its subsidiaries' entire workforce as significant employees. Everyone is expected to work together as a team to achieve the Company's goals.

E. Family Relationships

Ms. Anna Bettina Ongpin is the daughter of Mr. Roberto V. Ongpin. Messrs. Recto and Valdes are nephews of Mr. Ongpin. Mr. Recto, Mr. Valdes and Ms. Ongpin are first cousins. Mr. Paul Francis B. Juat is the grandson of Mr. Walter W. Brown. Other than the foregoing, the persons nominated or chosen by the Company to become directors or executive officers are not related to each other up to the fourth civil degree either by consanguinity or affinity.

F. Involvement in Certain Legal Proceedings

1. *Atty. Zenaida Ongkiko-Acorda, as attorney-in-fact of Atty. Mario E. Ongkiko and in behalf of Philex Mining Corporation vs. Roberto V. Ongpin, et al., SEC Case No. 11-166, Branch 158, Regional Trial Court of Pasig.* This involves a "derivative suit" filed on behalf of Philex against RVO and other companies beneficially owned by RVO in connection with Section 23.2 of the Securities Regulation Code and in order to recover the "short-swing profits" which were allegedly realized from supposed transactions involving Philex shares. This case is in the trial stage. A related Petition for Review on Certiorari is also pending before the Supreme Court in G.R. No. 204166, entitled *Roberto V. Ongpin, et al. vs. Acorda, et al.* There is a Petition for Certiorari which is related to this case pending with the Court of Appeals docketed as CA-G.R. SP No. 159604 (entitled *Roberto V. Ongpin, et al. vs. Honorable Elma M. Rafallo-Lingan, in her capacity as the presiding Judge of Branch 159 of the Regional Trial Court of Pasig City, et al.*).
2. *People vs. Roberto V. Ongpin, et al., S.B.-13-CRM-0105 and S.B.-13-CRIM-0106, Sandiganbayan (Third Division).* This case was filed against RVO and others in connection

with two loans obtained by Deltaventure Resources, Inc. (DVRI) from DBP. The Informations in both cases, respectively, for violations of Section 3 (e) of R.A. No. 3019 were filed on 10 January 2013. In a Resolution promulgated on 28 May 2014, the Third Division of the Sandiganbayan granted the Accused's Motions to Quash and DISMISSED Criminal Case Nos. S.B.-13-CRM-0105 and S.B.-13-CRIM-0106. A related Petition for Review on Certiorari is pending before the Supreme Court in G.R. Nos. 217417 and 217914, entitled "People of the Philippines v. Reynaldo G. David, et al."

3. *In the matter of: Roberto V. Ongpin, Mario A. Oreta, Margarito B. Teves, et al., SEC-EIPD Case No. 14-3039.* This concerns the findings of the Enforcement and Investor Protection Department on the liability of respondents for violation of Section 26(3) of the Securities Regulation Code (SRC) in connection with the issuance of shares of Alphaland Corporation in a capital call, stock rights offering and property for share swap which were approved and ratified by respondents as officers and members of the Board of Alphaland Corporation. On August 24, 2015, Respondents elevated the matter through notice of appeal to the SEC En Banc, where the matter is presently pending resolution. The appeal is docketed as SEC En Banc Case No. 08-15-384, entitled "Roberto V. Ongpin, Mario A. Oreta, Margarito B. Teves, et al. vs. Enforcement and Investor Protection Department.
4. *In the Matter of: Philex Mining Corporation, SEC-EIPD Case No. 14-3044.* This concerns the findings of the Enforcement and Investor Protection Department against Mr. Roberto V. Ongpin for allegedly committing Insider Trading when he purchased Philex shares at Php19.25 to Php 19.50 per share from the open market in the morning of 02 December 2009 without disclosing to the public that the group of Mr. Manuel V. Pangilinan had agreed to purchase the said shares from him at P21.00 per share. RVO appealed the case to the SEC En Banc but the latter affirmed the findings of the EIPD. Mr. Ongpin elevated the case to the Court of Appeals by way of a Petition for Review docketed as CA-G.R. SP. No. 146704, entitled "Roberto V. Ongpin v. Enforcement and Investor Protection Department". On December 1, 2017, the Court of Appeals issued a decision in favor of RVO, reversing the SEC and finding that RVO did not commit insider trading. EIPD filed a Motion for Reconsideration, which was denied by the Court of Appeals on July 2, 2018. EIPD elevated the case to the Supreme Court by way of a Petition for Review. On September 30, 2020, the Supreme Court issued a resolution dismissing the Petition for Review filed by the SEC-EIPD. A motion for reconsideration of the dismissal is pending resolution by the Supreme Court.
5. *Roberto V. Ongpin, Dennis O. Valdes, Cyrano A. Austria, and Michael M. Asperin vs. Enforcement and Investor Protection Department – Securities and Exchange Commission –* Petition for Review with Prayer for the Issuance of a Writ of Preliminary Injunction and/or Temporary Restraining Order and/or Stay Order was filed on January 26, 2021. The case remains pending.
6. *People of the Philippines vs. Dennis Ang Uy, John Does and/or Jane Does -* Regional Trial Court-Branch 14, Davao City, Criminal Case Nos. 75, 834-13 to 75, 845-13 and 76, 076-13. On August 27, 2013, The Department of Justice (DOJ) filed twelve (12) Informations before the Regional Trial Court of Davao against Mr. Dennis A. Uy and several John Does and/or Jane Does for alleged violations of Section 3602, in relation to Sections 3601, 2530 (I)(1), (3), (4), and (5), Sections 1801, 1802 of the Tariff and Customs Code of the Philippines. These provisions all pertain to unlawful importation of goods allegedly committed by Mr. Uy for the importation of petroleum products in the Philippines.

On September 5, 2013, Mr. Uy's Counsel filed an Omnibus Motion, which prayed, among others, for the dismissal of criminal case for lack of probable cause.

Additional ten (10) criminal informations were filed by the DOJ on September 11, 2013, pertaining to additional instances of the same violations under the TCCP. These additional informations all pertain to the alleged unlawful importation of goods for the importation of

petroleum products. Hence, Mr. Uy's counsel filed a supplemental motion on September 19, 2013 for the dismissal of the 10 additional informations.

On October 4, 2013, the RTC issued an Order dismissing all the case against Mr. Uy. The trial court held that there was no probable cause based on evidence for Mr. Uy to be held on trial.

Subsequently, however, the plaintiff, People of the Philippines, filed a Motion for Reconsideration to reverse the dismissal of all criminal cases. On August 18, 2014, the RTC denied the motion for Reconsideration.

Thereafter, the plaintiff People of the Philippines filed a Petition for Certiorari with the Court of Appeals for the reversal of the dismissal Orders issued on October 4, 2013 and August 18, 2014. Please see case 6 below for status on the Petition for Certiorari.

6. People of the Philippines vs. Hon. George E. Omello, in his capacity as Presiding Judge of the Davao City Regional Trial Court-Branch 14, Hon. Loida S. Posadas-Kahugan, in her capacity as Acting Presiding Judge of the Davao City RTC-Branch 14, Dennis Ang Uy, John Does and/or Jane Does, CA-G.R. SP No. 06500-MIN, Court of Appeals, Cagayan de Oro City, 23rd Division – On October 27, 2014, the petitioner People of the Philippines filed a Petition for Certiorari seeking the reversal of the Orders dated October 4, 2013 and August 18, 2014 issued by the trial court dismissing the criminal cases filed against Dennis Uy (under case 5) for having been issued with grave abuse of discretion amounting to lack or excess of jurisdiction, such that the issued orders were capricious, whimsical, or arbitrary.

Mr. Uy's counsel filed his Comment/Opposition to the said Petition for Certiorari, and the parties subsequently filed their respective Memoranda.

On October 12, 2016, the Court of Appeals issued a resolution denying the Petition for Certiorari filed by the People of the Philippines. The Court of Appeals ruled that "there is no showing that the error was capricious, whimsical or arbitrary. Further, the voluminous records evidence that the RTC's challenged Orders took careful account of the respective claims and defenses of the parties, as well as the evidence submitted. Such studious and studied consideration negates whimsically and arbitrariness.

Thus, on November 7, 2016, the People of the Philippines filed a Motion for Reconsideration of the Decision dated October 12, 2016, but said MR was denied on January 25, 2017.

7. Dennis A. Uy vs. Hon. Secretary of the Department of Justice Leila M. De Lima and the Bureau of Customs, CA-G.R. SP No. 131702, Court of Appeals, Manila, Special Former Special Tenth Division – In connection to the resolution of the DOJ to file criminal cases against Dennis Uy, Mr. Uy sought remedy to question the resolutions of the DOJ which found probable cause against him for the alleged violations of the TCCP.

Dennis A. Uy filed a Petition for Certiorari with the Court of Appeals on September 4, 2013 for the reversal of these resolutions.

On July 25, 2014, the Court of Appeals issued its Decision granting the Petition for Certiorari of Mr. Uy and declaring the Resolutions of the DOJ dated April 24, 2013 and August 13, 2013 nullified and set aside and directing that the Information filed against Dennis Uy withdrawn and/or dismissed for lack of probable cause.

Thereafter, a Motion for Reconsideration of the Court of Appeals Decision was filed by the DOJ and the Bureau of Customs. On July 23, 2015, the Court of Appeals issued its Resolution denying the Motion for Reconsideration of the DOJ and the Bureau of Customs.

Subsequently, the DOJ filed a Motion for Extension to file Petition for Review on Certiorari with the Supreme Court.

8. *Secretary of the Department of Justice Leila M. De Lima and Bureau of Customs vs. Dennis A. Uy, G.R. No. 219295-219296, Supreme Court, 2nd Division* – On October 8, 2015, respondent Dennis A. Uy received a copy of the Petition for Review on Certiorari dated September 8, 2015 filed by petitioners SOJ and Bureau of Customs seeking to set aside the Court of Appeals' Decision dated July 25, 2014 and July 23, 2015. The Supreme Court required the parties to file their respective Memoranda, which the parties complied with. On December 12, 2016, the Supreme Court issued its Notice of Resolution dated November 16, 2016 noting the parties Memoranda. As of the date, the Supreme Court has not yet issued any decision.

Other than the foregoing, the Corporation knows of no legal proceeding including without limitation any (a) bankruptcy petition, (b) conviction by final judgment, (c) order, judgment or decree, or (d) violation of a securities or commodities law, during the last five (5) years up to the date of the filing of this Statement, to which any of its Directors and Executive Officers is a party and which is material to an evaluation of their ability or integrity to act as such.

Neither have they been convicted by final judgment in any criminal proceeding or have been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, nor found in action by any court of administrative bodies to have violated a securities or commodities law.

Item 10. Executive Compensation

Although authorized to give per diems, the Company did not do so in the year 2014. In the years 2018-2020, the Company gave directors per diem in the total amount of Php40,000.00 each, net of withholding taxes. Further, the directors and officers did not receive any compensation from the Corporation in the form of bonus, warrants, options, or participation in any profit-sharing plan in the years 2018-2020.

There are no material terms of, nor any other arrangements with regard to compensation as to which directors are compensated, directly or indirectly, for any services rendered as director.

There is no employment contract between the Company and a named executive officer.

There is no compensatory plan or arrangement between the Company and any executive officer in case of resignation, retirement or any other termination of the executive officer's employment with the Company, or from a change in the management control of the Corporation, or a change in the named executive officer's responsibilities following a change in the management control.

The aggregate salaries of the CEO and the four highest compensated officers are as follows:

(a) Name and Principal Position	(b) Year	(c) Salary	(d) Bonus	(e) Other Annual Comp
1. Roberto V. Ongpin Chairman/CEO				
2. Eric O. Recto Vice Chairman & President				
3. Trisha Gabriella G. Guillermo Vice-President				
4. Marilyn G. De Guzman General Administration and Support Manager				
5. Haydee D. Gallarde Officer-in-Charge - ABSTC				

Aggregate Compensation of the Five
Most Highly-Paid Executives
including the CEO:

2018	988,000.00
2019	978,572.25
2020	996,891.99
2021	1,148,386.09
2022 (projected)	1,079,000.00

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

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE BENEFICIAL OWNERSHIP	CITIZENSHIP	PERCENT OF CLASS
Common	Roberto V. Ongpin	1 (direct) 1,485,685,983 (indirect)	Filipino	58.38%
Common	Dennis A. Uy	1,000 (direct) 100,000,000 (indirect)	Filipino	3.93%
Common	Eric O. Recto	1 (direct) 289,532,821 (indirect)	Filipino	11.38%
Common	Walter W. Brown	1 (direct) 322,654,700 (indirect)	Filipino	12.68%
Common	Anna Bettina Ongpin	100 (direct)	Filipino	Nil
Common	Mario A. Oreta	1 (direct)	Filipino	Nil
Common	Margarito B. Teves	100 (direct)	Filipino	Nil
Common	Dennis O. Valdes	1 (direct)	Filipino	Nil
Common	Michael Angelo Patrick M. Asperin	100 (direct)	Filipino	Nil
Common	Cliburn Anthony A.	100 (direct)	Filipino	Nil

	Orbe			
Common	Paul Francis B. Juat	100 (direct)	Filipino	Nil
Common	John Peter Chick B. Castelo	102 (direct)	Filipino	Nil
TOTAL		2,197,875,011		86.37%
Total Issued & Outstanding Shares		2,545,000,000		100.00%

Mr. Roberto V. Ongpin beneficially owns and controls Boerstar Corporation ("Boerstar"), which is the registered owner of approximately 69.75% of the Company. However, Mr. Eric O. Recto is also the beneficial owner of 289,532,821 common shares registered in the name of Boerstar, corresponding to approximately 11.38% of the Company as indicated above.

To the extent known to the Corporation, there is no person holding more than five percent (5%) of the Corporation's voting stock under a voting trust or similar agreement.

Changes in Control

The Corporation is not aware of any change in control or arrangement that may result in a change in control of the Corporation during the period covered by this Statement.

Item 12. Certain Relationships and Related Transactions

There are no transactions (or series of similar transactions) during the last two (2) years, with or involving the Company or its subsidiaries, in which a director, executive officer, or stockholder owning ten percent (10%) or more of the total outstanding shares, or any member of his/her immediate family, had or will have a direct or indirect material interest.

PART IV - CORPORATE GOVERNANCE

The Integrated Annual Corporate Governance Report (I-ACGR) will be submitted by the Company pursuant to SEC Memorandum Circular No. 15, Series of 2017.

PART V - EXHIBITS AND SCHEDULES

List of Items Reported under SEC Form 17-C, as amended (During the Last 6 Months)

April 7, 2022

Notice of Annual Stockholders' Meeting

SIGNATORIES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized in the City of Makati on May 3, 2022.



Eric O. Recto
President



Cristina B. Zapanta
Senior Vice President - Finance



Charles Edward M. Cheng
Corporate Secretary

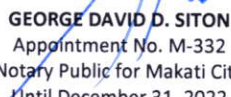
REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S.

MAY 05 2022

SUBSCRIBED AND SWORN to before me this _____ day of _____ in Makati City by the affiants, personally known to me, who are the same persons who personally signed before me the foregoing Annual Report and acknowledged that they executed the same. Affiants, whose identities are personally known to me, exhibited to me their competent evidence of identity as follows:

Name	Competent Evidence of Identity
Eric O. Recto	TIN 108-730-891
Cristina B. Zapanta	TIN 102-116-723
Charles Edward M. Cheng	TIN 225-721-029

Doc. No. 96;
Page No. 17;
Book No. 118;
Series of 2022



GEORGE DAVID D. SITON
Appointment No. M-332
Notary Public for Makati City
Until December 31, 2022

Executive Bldg. Center Makati Ave.
cor. Jupiter St., Makati City
Roll of Attorneys No. 68402
MCLE Compliance No. VI-0021936-3-29-2019
IBP No. 002282 / Lifetime Member / 5-8-17
PTR No. 2235859 / 01.05.2021 / Parañaque City



Chellean Joy L. Sabado <clsabado@alphaland.com.ph>

Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph>

Thu, May 5, 2022 at 6:05 PM

To: ATOK_ACCOUNTINGBIR@alphaland.com.ph

Cc: ATOK_ACCOUNTINGBIR@alphaland.com.ph

Hi ATOK BIG WEDGE COMPANY INC.,

Valid files

- EAFS000707286RPTTY122021.pdf
- EAFS000707286ITRTY122021.pdf
- EAFS000707286AFSTY122021.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-2X3Z2NRY09HGK9L67QSTTSYXY06FJ9FCKJ**Submission Date/Time: **May 05, 2022 06:05 PM**Company TIN: **000-707-286**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

=====
DISCLAIMER
=====

This email and its attachments may be confidential and are intended solely for the use of the individual or entity to whom it is addressed.

If you are not the intended recipient of this email and its attachments, you must take no action based upon them, nor must you disseminate, distribute or copy this e-mail. Please contact the sender immediately if you believe you have received this email in error.

E-mail transmission cannot be guaranteed to be secure or error-free. The recipient should check this email and any attachments for the presence of viruses. The Bureau of Internal Revenue does not accept liability for any errors or omissions in the contents of this message which arise as a result of e-mail transmission.

ATOK-BIG WEDGE CO., INC.

ALPHALAND MAKATI PLACE 7232 AYALA AVENUE CORNER MALUGAY ST.,
MAKATI CITY 1209 PHILIPPINES

TEL. NO. (632) 5337-2031 LOCAL 169
FAX NO. (632) 5310-7100

April 20, 2022

"STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR SEPARATE FINANCIAL STATEMENTS"

The management of **Atok-Big Wedge Co., Inc.** (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2021, 2020 and 2019, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible in overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

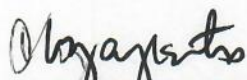
Reyes Tacandong & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



ROBERTO V. ONGPIN
Chairman & CEO



ERIC O. RECTO
President



CRISTINA B. ZAPANTA
Senior Vice President for Finance

05 MAY 2022

SUBSCRIBED AND SWORN to before me this _____ at Makati City,
affiants exhibiting to me their respective identification documents, and personally known to
me, follows:

NAME	COMPETENT EVIDENCE OF IDENTITY	DATE OF ISSUE	PLACE OF ISSUE
Roberto V. Ongpin	Passport No: P8322208B	11/29/2021	DFA Manila
Eric O. Recto	Passport No: P1090079B	03/18/2019	DFA NCR East
Cristina B. Zapanta	Passport No: P3451062A	06/22/2017	DFA NCR East

Doc. No. 275
Page No. 56
Book No. KV111
Series of 2022

~~ATTY. LEONARDO A. SARMIENTO III~~
~~Notary Public for the City of Manila~~
~~Notarial Commission NO. 2020-049~~
~~Extended until 06-30-2022B.M. No. 3795~~
~~PTA OR No. 0154919/01-04/2022~~
~~IDP OR No. 094682/01-04-2022~~
~~Roll of Attorney No. 55618~~
~~MCLE No. VI-0022748/04-02-19~~

for
AUDITED FINANCIAL STATEMENTS

P	W	4	2	7	-	A
---	---	---	---	---	---	---

[illegible][illegible]

A	A	S	F	S
---	---	---	---	---

C	R	M	D
---	---	---	---

N	/	A
---	---	---

COMPANY INFORMATION

aorbe@atok.com.ph

(632) 5304-6282

0918-8974410

4,179

Last Friday of May

12 / 31

CONTACT PERSON INFORMATION	
NAME	_____
PHONE	_____
EMAIL	_____
ADDRESS	_____
CITY	_____
STATE	_____
ZIP	_____

The designated contact person **MUST** be an Officer of the Corporation.

Ms. Cristina B. Zapanta

cbzapanta@alphaland.com.ph

(632) 5337-2031

0908-8762265

CONTACT PERSON'S ADDRESS	
Name:	
Address:	
City:	
State:	
Zip:	
Phone:	
Fax:	
E-mail:	

Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, Makati City, Metro Manila

2: All boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt shall not excuse the corporation from liability for its deficiencies.



INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Atok-Big Wedge Co., Inc.
Alphaland Makati Place
7232 Ayala Avenue corner Malugay Street
Makati City, Metro Manila

Opinion

We have audited the accompanying separate financial statements of Atok-Big Wedge Co., Inc., (the Company) which comprise the separate statements of financial position as at December 31, 2021 and 2020, and the separate statements of comprehensive income, separate statements of changes in equity and separate statements of cash flows for the years ended December 31, 2021, 2020 and 2019, and notes to separate financial statements, including a summary of significant accounting policies.

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of the Company as at December 31, 2021 and 2020, and its separate financial performance and its separate cash flows for the years ended December 31, 2021, 2020 and 2019 in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to the audit of the separate financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Notes 1 and 8 to the separate financial statements concerning the delay in one of the planned drilling programs of Forum Energy Ltd., an associate of a subsidiary. The ultimate outcome of the uncertainty related to this delay and the resulting impact on the separate financial statements cannot be presently determined because of the territorial dispute in the West Philippine Sea. Our opinion is not modified with respect to this matter.



Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

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

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, these could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REYES TACANDONG & Co.

Arthur Vinson U. Ong
ARTHUR VINSON U. ONG

Partner

CPA Certificate No. 120745

Tax Identification No. 253-222-555-000

BOA Accreditation No. 4782; Valid until April 13, 2024

SEC Accreditation No. 120745-SEC Group A

Issued March 29, 2022

Valid for Financial Periods 2021 to 2025

BIR Accreditation No. 08-005144-015-2020

Valid until July 1, 2023

PTR No. 8851717

Issued January 3, 2022, Makati City

April 20, 2022

Makati City, Metro Manila

ATOK-BIG WEDGE CO., INC.

SEPARATE STATEMENTS OF FINANCIAL POSITION

		December 31	
	Note	2021	2020
ASSETS			
Current Assets			
Cash and cash equivalents	4	₱90,946,246	₱12,036,285
Receivables	5	35,703,318	26,992,906
Advances to a stockholder	13	194,865,252	–
Other current assets	7	10,211,521	9,947,402
Total Current Assets		331,726,337	48,976,593
Noncurrent Assets			
Investments in subsidiaries	8	645,594,228	645,594,228
Advances to mining right holders	1	1,525,000	1,525,000
Property and equipment	11	–	4,813
Total Noncurrent Assets		647,119,228	647,124,041
		₱978,845,565	₱696,100,634
LIABILITIES AND EQUITY			
Current Liabilities			
Payables and other current liabilities	12	₱927,391	₱1,044,179
Advances from stockholders	13	–	7,621,500
Income tax payable		3,270	–
Total Current Liabilities		930,661	8,665,679
Noncurrent Liability			
Deferred tax liability	18	41,588	–
Total Liabilities		972,249	8,665,679
Equity			
Capital stock	14	1,354,023,160	1,060,000,000
Deficit		(374,149,894)	(370,565,095)
Other comprehensive loss	9	(1,999,950)	(1,999,950)
Total Equity		977,873,316	687,434,955
		₱978,845,565	₱696,100,634

See accompanying Notes to Separate Financial Statements.

ATOK-BIG WEDGE CO., INC.

SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31		
	Note	2021	2020	2019
GENERAL AND ADMINISTRATIVE EXPENSES	15	(P4,151,219)	(P3,960,354)	(P4,427,349)
FOREIGN EXCHANGE GAIN		493,353	—	—
INTEREST INCOME	4	117,925	403,308	979,540
LOSS BEFORE INCOME TAX		(3,539,941)	(3,557,046)	(3,447,809)
PROVISION FOR INCOME TAX	18			
Current		3,270	—	—
Deferred		41,588	—	—
		44,858	—	—
NET LOSS		(3,584,799)	(3,557,046)	(3,447,809)
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Item that will not be reclassified subsequently to profit or loss -</i>				
Unrealized gain (loss) on valuation of equity investment designated as financial asset at fair value through other comprehensive income (FVOCI)	9	—	(2,152,285)	47,041
TOTAL COMPREHENSIVE LOSS		(P3,584,799)	(P5,709,331)	(P3,400,768)
BASIC AND DILUTED LOSS PER SHARE	16	(P0.0014)	(P0.0014)	(P0.0014)

See accompanying Notes to Separate Financial Statements.

ATOK-BIG WEDGE CO., INC.

SEPARATE STATEMENTS OF CHANGES IN EQUITY

		Years Ended December 31		
	Note	2021	2020	2019
CAPITAL STOCK - ₱1 par value	14			
Balance at beginning of year		₱1,060,000,000	₱1,060,000,000	₱1,060,000,000
Collection of subscription receivable		294,023,160	—	—
Balance at end of year		1,354,023,160	1,060,000,000	1,060,000,000
DEFICIT				
Balance at beginning of year		(370,565,095)	(367,008,049)	(363,560,240)
Net loss		(3,584,799)	(3,557,046)	(3,447,809)
Balance at end of year		(374,149,894)	(370,565,095)	(367,008,049)
OTHER COMPREHENSIVE INCOME (LOSS)	9			
Cumulative Valuation Gain on Equity Investment Designated at FVOCI				
Balance at beginning of year		(1,999,950)	152,335	105,294
Unrealized fair value gain (loss)		—	(2,152,285)	47,041
Balance at end of year		(1,999,950)	(1,999,950)	152,335
		₱977,873,316	₱687,434,955	₱693,144,286

See accompanying Notes to Separate Financial Statements.

ATOK-BIG WEDGE CO., INC.
SEPARATE STATEMENTS OF CASH FLOWS

		Years Ended December 31		
	Note	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before income tax		(P3,539,941)	(P3,557,046)	(P3,447,809)
Adjustments for:				
Unrealized foreign exchange gain		(166,353)	—	—
Interest income	4	(117,925)	(403,308)	(979,540)
Depreciation and amortization	11	4,813	4,811	4,812
Operating loss before working capital changes		(3,819,406)	(3,955,543)	(4,422,537)
Decrease (increase) in:				
Receivables		(8,710,412)	(25,439,628)	2,965,040
Other current assets		(264,119)	(254,782)	(279,976)
Increase (decrease) in payables and other current liabilities		(116,788)	173,233	(919,157)
Net cash used for operations		(12,910,725)	(29,476,720)	(2,656,630)
Interest received		117,925	403,308	1,430,317
Net cash used in operating activities		(12,792,800)	(29,073,412)	(1,226,313)
CASH FLOW FROM INVESTING ACTIVITIES				
Advances to a stockholder	13	(210,000,000)	—	—
Collection of advances to a stockholder		15,134,748	—	—
Maturity of short-term investments	6	—	—	22,000,000
Net cash provided by (used in) investing activities		(194,865,252)	—	22,000,000
CASH FLOWS FROM FINANCING ACTIVITIES				
Collection of subscription receivable	14	294,023,160	—	—
Advances from (payment to) stockholders	13	(7,621,500)	7,621,500	—
Net cash provided by financing activities		286,401,660	7,621,500	—
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		78,743,608	(21,451,912)	20,773,687
EFFECT OF UNREALIZED FOREIGN EXCHANGE GAIN ON CASH AND CASH EQUIVALENTS		166,353	—	—
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		12,036,285	33,488,197	12,714,510
CASH AND CASH EQUIVALENTS AT END OF YEAR		P90,946,246	P12,036,285	P33,488,197
COMPONENTS OF CASH AND CASH EQUIVALENTS				
Cash on hand and in banks	4	P90,946,246	P126,732	P12,320,968
Short-term placements		—	11,909,553	21,167,229
		P90,946,246	P12,036,285	P33,488,197

See accompanying Notes to Separate Financial Statements.

ATOK-BIG WEDGE CO., INC.

NOTES TO SEPARATE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021 and 2020 AND FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 and 2019

1. Corporate Matters

Corporate Information

Atok-Big Wedge Co., Inc. (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on September 3, 1931. The Company's corporate life was extended on September 25, 1981. The Company's primary purpose is to engage in the business of exploration and development of mining, oil, gas and other natural resources. As prescribed by the Revised Corporation Code of the Philippines, effective February 23, 2019, the Parent Company shall have a perpetual existence.

The Company listed its shares in the Philippine Stock Exchange (PSE) on January 8, 1948. As at December 31, 2021 and 2020, 953,963,474 common shares of the Company are listed in the PSE (see Note 14).

As at December 31, 2021 and 2020, the Company, through its wholly-owned subsidiary, Tidemark Holdings Limited (Tidemark), has 20.0% interest in Forum Energy Ltd. (FEL), a private limited company organized in the United Kingdom.

FEL has interests in various service contracts as follows:

Service Contract	Interest
Service contract 40 (North Cebu)*	100.0%
Service contract 72 (Reed Bank)	70.0%
Service contract 14B-1 (North Matinloc)**	19.5%
Service contract 14B (Matinloc)**	12.4%
Service contract 14A (Nido)**	8.5%
Service contract 14C-1 (Galoc)	3.2%
Other service contracts	5.0% - 9.1%

**Service contract 40 was plugged and abandoned in 2017*

*** Service contracts 14-B-1, 14B, and 14A were terminated permanently on March 13, 2019*

As at December 31, 2021 and 2020, the Company is 69.8% owned by Boerstar Corporation, a holding company incorporated in the Philippines. The ultimate parent of the Company is Compact Holdings, Inc., a Philippine entity engaged in holding and investing activities.

The Company's registered address and principal place of business is Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, Makati City, Metro Manila.

Status of the Significant Exploration Projects of FEL (Associate Entity)

Service Contract 72 (Reed Bank). FEL's principal asset is a 70.0% interest in Service Contract (SC) 72 which covers an area of 8,800 square kilometers in the West Philippine Sea. SC 72 is currently under Sub-Phase 2 of its exploration. However, the Philippine government is unable to grant FEL permission to deploy vessels for drill site survey due to the territorial dispute in the West Philippine Sea. On February 26, 2015, the Department of Energy (DOE) granted *Force Majeure* to SC 72 work commitments effective December 15, 2014. In view of this, all exploration activities in the block are suspended until the DOE notifies FEL to commence drilling.

On July 12, 2016, the Permanent Court of Arbitration in The Hague released a ruling on the maritime case filed by the Republic of the Philippines against the People's Republic of China. In particular, the Tribunal ruled that Reed Bank, where SC 72 lies, is within the Philippines' Exclusive Economic Zone as defined under the United Nations Convention on the Law of the Seas. In November 2017, the Association of Southeast Asian Nations and China have arrived at a negotiation to commence talks on drafting an effective Code of Conduct in the disputed seas.

In November 2018, the Philippines and China entered into a Memorandum of Understanding (MOU) on Cooperation on Oil and Gas Development. Both countries have allotted a one-year period to discuss the recently signed MOU before instituting any firm agreement on a possible joint oil and gas exploration. Management believes that the MOU between China and the Philippines will soon be finalized and that the drilling operations can commence thereafter.

In 2018, FEL started reprocessing the 3D seismic data it acquired in 2011. This is to improve the seismic quality using newly-developed processing techniques such as broadband processing.

On December 21, 2018, FEL, through its subsidiary, Forum (GSEC 101) Limited, has sent a letter of request to the DOE to lift the *Force Majeure* imposed on SC 72.

On October 15, 2020, President Rodrigo Duterte approved the recommendation of the DOE to lift the moratorium on oil and gas exploration in the West Philippine Sea. The DOE issued the "Resume-to-Work" notice to the Service Contractors doing petroleum-related activities in the areas of SC 59, 72, and 75 in the West Philippine Sea. FEL will have 20 months upon lifting of the *Force Majeure* to complete the Sub-Phase 2 work commitment comprising the drilling of two wells. The terms of the succeeding Sub-Phase will remain the same but will be adjusted accordingly.

A technical services agreement with a third-party upstream petroleum consultancy company was signed effective July 1, 2021 for the drilling management and manpower support services to deliver FEL's two commitment wells in the first half of 2022.

As at December 31, 2021, drilling preparations are progressing accordingly. The work program and budget and annual procurement plan for 2022 were submitted to the DOE.

On April 6, 2022, there was a directive from the DOE to suspend exploration activities until the issuance of the "necessary clearance to proceed" from the Security, Justice and Peace Coordinating Cluster (SJGCC).

On April 20, 2022, the DOE sought a formal approval for a reconsideration from the SJGCC to immediately allow resumption of oil exploration activities in the West Philippine Sea.

The ultimate outcome of the uncertainty on the conduct of drilling operations and the resulting impact on the separate financial statements cannot be presently determined because of the territorial dispute in the West Philippine Sea.

Service Contracts 14A (Nido), 14B (Matinloc) and 14B-1 (North Matinloc). Production in the Nido and Matinloc fields were terminated permanently on March 13, 2019. Total production from the Nido and Matinloc fields in 2019 was 22,173 barrels, or an average of 185 barrels of oil per day ("bopd").

In May 2019, seven production wells in Nido (3 out of 5), Matinloc (3), and North Matinloc (1) were successfully plugged and abandoned, while two remaining Nido wells were only partially abandoned due to difficulties encountered during operations. Following the suspension of field operations and the plug and abandonment (P&A) of the wells, stripping and disposal of equipment and materials aboard the production platforms from June to October 2019 were performed.

In October 2020, the two (2) remaining Nido wells were plugged and abandoned successfully. Following the cessation of operations and completion of P&A of all production wells, preparation are being made to surrender the SC 14A, B&B-1 blocks to the DOE within the first half of 2021

Service Contract 14C-1 (Galoc). The Galoc Field produced a total of 630,250 barrels of oil in 2021 as compared to 695,247 barrels of oil in 2020. Cumulative production starting October 2008 up to reporting date is 23.42 million barrels of oil. The participating interest of FEL in SC 14-1 increased from 2.3% to 3.2% in 2021.

Other Service Contracts. FEL has participating interests in other service contracts including SC6A (Octon), SC6B (Bonita Block) and SC14C-2 (West Linapacan), among others, which are currently under exploration phase and Service Contract 40 (North Cebu) which was permanently plugged and abandoned in 2017. FEL intends to sell the 9.10% interest in West Linapacan. As a result, FEL wrote off property and equipment amounting to ₱99.1 million in 2019. The completion of the transaction was severely delayed due to the pandemic. Eventually, the acquiring party decided not to pursue the transaction. Accordingly, FEL's participating interest in West Linapacan was retained.

Potential Acquisition of Certain Mining Rights

The Company entered into various MOUs for the potential acquisition of certain mining rights. Total advances to the mining right holders amounted to ₱1.5 million as at December 31, 2021 and 2020. In view of the prevailing regulatory environment, the Company is continuously evaluating the feasibility of this potential acquisition.

Stock Option Plan

In 2015, the BOD approved the Stock Option Plan (SOP) which provides among others the allocation of no more than 5% of the authorized capital for the SOP; each grant is for three years and will vest 1/3 for each of the succeeding years; and the strike price shall not be less than 80% of the market value at the time of grant. This was ratified by the stockholders on May 31, 2016.

As at December 31, 2021, the Company is still completing the requirements for the SEC's approval of the exemption from its registration requirements and the PSE's approval of the listing of the shares under the SOP. To date, no grants have been made under the SOP.

Approval and Authorization for Issuance of Separate Financial Statements

The separate financial statements as at December 31, 2021 and 2020 and for the years ended December 31, 2021, 2020 and 2019 were approved and authorized for issuance by the BOD on April 20, 2022, as reviewed and recommended for approval by the Audit Committee on the same date.

2. Summary of Significant Accounting Policies

Basis of Preparation

The separate financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) issued by the Philippine Financial Reporting Standards Council and adopted by the SEC. This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS), Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC), and SEC provisions.

The Company also prepares and issues consolidated financial statements for the same period in accordance with PFRS as the separate financial statements presented. In the consolidated financial statements, subsidiary undertakings have been fully consolidated. Users of these separate financial statements should read them together with the consolidated financial statements in order to obtain full information on the consolidated statements of financial position, consolidated financial performance and consolidated cash flows of the Company and its subsidiaries. The consolidated financial statements are available for public use and may be obtained at the Company's registered office address and at the SEC and PSE.

Measurement Bases

The separate financial statements are presented in Philippine Peso (Peso), the Company's functional currency. All values are rounded to the nearest Peso, except otherwise indicated.

The separate financial statements of the Company have been prepared on the historical cost basis of accounting, except for equity investment designated as financial asset at fair value through other comprehensive income (FVOCI). Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of consideration received in exchange for incurring a liability. 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 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 separate 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 market 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 level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the separate 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 the end of each 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.

Further information about the assumptions made in measuring fair value is included in Note 19, *Financial Risk Management Objectives and Policies*.

Adoption of Amendment to PFRS

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the amendment to PFRS effective January 1, 2021:

- Amendment to PFRS 16, *Leases – Corona Virus Disease (COVID-19)-Related Rent Concessions beyond June 30, 2021* – In 2020, PFRS 16 was amended to provide practical expedient to lessees from applying the requirements on lease modifications for eligible rent concessions that is a direct consequence of COVID-19 pandemic. A lessee may elect not to assess whether eligible rent concessions from a lessor is a lease modification. A lessee that makes this election account for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for a change that is not a lease modification, e.g., as a variable lease payment. This amendment is effective for annual reporting periods beginning on or after June 1, 2020, with earlier application permitted, and covers eligible rent concessions until June 30, 2021. The Company applied the practical expedient in its separate financial statements for the year ended December 31, 2020.

Due to continuing impact of the pandemic, another amendment to PFRS 16 was issued in 2021, which allows lessees to extend the application of the practical expedient regarding COVID-19-related rent concessions to reduction in lease payments that are due on or before June 30, 2022. The 2021 amendment is mandatory for entities that elected to apply the previous amendment. Accordingly, the Company has applied the amendment in the 2021 separate financial statements.

The adoption of the amendment to PFRS 16 did not have any material effect on the separate financial statements. Additional disclosures were included in the notes to separate financial statements, as applicable.

Amendments to PFRS Issued But Not Yet Effective

Relevant amendments to PFRS which are not yet effective and have not been applied in preparing the separate financial statements are summarized below.

Effective for annual periods beginning on or after January 1, 2022:

- Amendments to PFRS 3, *Reference to Conceptual Framework* – The amendments replace the reference of PFRS 3 from the 1989 Framework to the current 2018 Conceptual Framework. The amendment included an exception that specifies that, for some types of liabilities and contingent liabilities, an entity applying PFRS 3 should refer to PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, or IFRIC 21, *Levies*, instead of the Conceptual Framework. The requirement would ensure that the liabilities recognized in a business combination would remain the same as those recognized applying the current requirements in PFRS 3. The amendment also added an explicit statement that contingent assets acquired in a business combination should not be recognized by an acquirer. The amendments should be applied prospectively.

- Amendments to PAS 16, *Property, Plant and Equipment - Proceeds Before Intended Use* – The amendments prohibit deducting from the cost of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for its intended use. Instead, the proceeds and related costs from such items shall be recognized in profit or loss. The amendments must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when an entity first applies the amendment.
- Amendments to PAS 37, *Onerous Contracts - Cost of Fulfilling a Contract* – The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling a contract comprises both the incremental costs of fulfilling that contract and an allocation of costs directly related to contract activities. The amendments apply to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments is recognized as an opening balance adjustment to retained earnings or other components of equity. Accordingly, the comparatives are not restated. Earlier application is permitted.
- Annual Improvements to PFRS 2018 to 2020 Cycle:
 - Amendments to PFRS 9, *Financial Instruments - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities* – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability (i.e. whether the terms of a new or modified financial liability is substantially different from the terms of the original financial liability). These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or the lender on the other's behalf. The amendments apply to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendments. Earlier application is permitted.
 - Amendment to PFRS 16, *Leases - Lease Incentives* – The amendment removes from the Illustrative Example 13 the illustration of the reimbursement of leasehold improvements by the lessor. The objective of the amendment is to avoid any potential confusion regarding the treatment of lease incentives because of how the requirements for lease incentives are illustrated.

Effective for annual periods beginning on or after January 1, 2023 -

- Amendments to PAS 1, *Classification of Liabilities as Current or Noncurrent* – The amendments clarify the requirements for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments also specify and clarify the following: (i) an entity's right to defer settlement must exist at the end of the reporting period, (ii) the classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement, (iii) how lending conditions affect classification, and (iv) requirements for classifying liabilities where an entity will or may settle by issuing its own equity instruments. The amendments must be applied retrospectively. Earlier application is permitted.

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure Initiative – Accounting Policies* – The amendments require an entity to disclose its material accounting policies, instead of its significant accounting policies and provide guidance on how an entity applies the concept of materiality in making decisions about accounting policy disclosures. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and its nature. The amendments clarify (1) that accounting policy information may be material because of its nature, even if the related amounts are immaterial, (2) 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 (3) if an entity discloses immaterial accounting policy information, such information should not obscure material accounting policy information. In addition, PFRS Practice Statement 2, *Making Materiality Judgements*, is amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information. The amendments should be applied prospectively. Earlier application is permitted.
- Amendments to PAS 8, *Definition of Accounting Estimates* – The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies, and the correction of errors. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". An entity develops an accounting estimate if an accounting policy requires an item in the financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not a correction of an error, and that 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. A change in an accounting estimate may affect only the profit or loss in the current period, or the profit or loss of both the current and future periods. Earlier application is permitted.

Amendments to PAS 12, *Deferred Tax Related Assets and Liabilities from a Single Transaction* – The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. Earlier application is permitted.

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* – The amendments address a conflicting provision under the two standards. It clarifies that a gain or loss shall be recognized fully when the transaction involves a business, and partially if it involves assets that do not constitute a business. The effective date of the amendments, initially set for annual periods beginning on or after January 1, 2016, was deferred indefinitely in December 2015 but earlier application is still permitted.

The adoption of the foregoing amendments to PFRS is not expected to have any material effect on the separate financial statements. Additional disclosures will be included in the notes to separate financial statements, as applicable.

Financial Assets and Liabilities

Date of Recognition. The Company recognizes a financial asset or a financial liability in the separate statement of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting.

Initial Recognition and Measurement. Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The initial measurement of financial instruments, except for those designated at fair value through profit or loss (FVPL), includes transaction cost.

“Day 1” Difference. Where the transaction in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a “Day 1” difference) in profit or loss. In cases where there is no observable data on inception, the Company deems the transaction price as the best estimate of fair value and recognizes “Day 1” difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the “Day 1” difference.

Classification. The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost and (c) financial assets at FVOCI. The classification of a financial asset largely depends on the Company’s business model and its contractual cash flow characteristics. Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost.

As at December 31, 2021 and 2020, the Company does not have financial assets and liabilities at FVPL and debt instruments measured at FVOCI.

Financial Assets at Amortized Cost. Financial assets shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is 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 solely payments of principal and interest on the principal amount outstanding.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for impairment, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized and through amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

The Company’s cash and cash equivalents, receivables (excluding advances to officers and employees), advances to a stockholder and rental and security deposits (presented under “Other current assets” account) are classified under this category.

Cash and Cash Equivalents. Cash and cash equivalents includes cash on hand, cash in banks, and short-term placements with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Equity Investment Designated as Financial Asset at FVOCI. On initial recognition, an equity instrument that is not held for trading may be irrevocably designated as a financial asset to be measured at FVOCI.

Dividends from equity instrument held at FVOCI are recognized in profit or loss when the right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment.

Changes in the fair value of this instrument is recognized in other comprehensive income and presented in the equity section of the separate statement of financial position. The cumulative gains or losses will not be reclassified to profit or loss upon disposal of the equity investment; instead, these will be transferred to deficit.

This category includes the Company's investment in unquoted shares of stock.

Financial Liabilities at Amortized Cost. Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or impaired or through the amortization process.

The Company's payables and other current liabilities (excluding statutory payables), and advances from stockholders are classified under this category.

Reclassification

The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

Equity investment that has been designated to be classified and measured at FVOCI may not be reclassified to a different category.

Impairment of Financial Assets at Amortized Cost

The Company records an allowance for impairment losses on its financial assets measured at amortized cost based on expected credit loss (ECL).

ECL is 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 to the asset's original effective interest rate. 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.

The Company measures loss allowances at an amount equivalent to the 12-month ECL for receivables on which credit risk has not increased significantly since initial recognition and for debt instruments that are determined to have low credit risk at the reporting date.

The 12-month ECL is the portion of ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. ECL for credit-impaired financial assets is based on the difference between the gross carrying amount and present value of estimated future cash flows.

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 of Financial Assets and Liabilities

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

- the right to receive cash flows from the asset has expired; or
- 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 right to receive cash flows from the financial asset and either (a) 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 right to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Company's continuing involvement in the

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

Financial Liabilities. A financial liability is derecognized when the obligation under the liability 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, and the difference in the respective carrying amounts is recognized in the separate statement of comprehensive income.

Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount reported in the separate statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the separate statement of financial position.

Classification of Financial Instrument between Liability and Equity

A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Otherwise, the financial instrument is classified as equity.

Advances to Officers and Employees

Advances to officers and employees represent advances which are subject to liquidation. These are recognized initially at the transaction price including transaction costs. Subsequently, these are charged to expense once liquidated.

Valued-Added Tax (VAT)

Revenue, expenses and assets, except receivables and payables, are recognized net of the amount of VAT. The net amount of VAT recoverable from the taxation authority is recognized under "Other current assets" account in the separate statement of financial position.

Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to expense as these are consumed in operations or expire with the passage of time. Prepayments that are expected to be incurred no more than 12 months after the reporting date are classified as current assets. Otherwise, these are classified as noncurrent assets.

Investments in Subsidiaries

The Company's investments in subsidiaries are carried in the separate statement of financial position at cost, less any impairment in value. A subsidiary is an entity in which the Company has control.

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Advances to Mining Right Holders

Advances to mining right holders are amounts paid in advance for the potential acquisition of certain mining rights. These are carried at the amount of cash paid and are reclassified to the corresponding asset account when the mining rights for which the advances were made are ultimately acquired.

Deferred Mining Exploration Cost

Deferred mining exploration cost is carried at cost less accumulated impairment losses.

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of the mineral resource.

Exploration and evaluation activity includes:

- Gathering exploration data through geological studies;
- Exploratory drilling and sampling; and
- Evaluating the technical feasibility and commercial viability of extracting the mineral resource.

Deferred mining exploration cost is no longer classified as such when the technical feasibility and commercial viability of extracting the mineral reserve are demonstrable. Deferred mining exploration cost is assessed for impairment, and any impairment loss is recognized, before reclassification to mineral reserves.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization and any accumulated impairment in value.

The initial cost of property and equipment comprises its purchase price, after deducting trade discounts and rebates, and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditures incurred after the property and equipment have been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized in profit or loss in the year the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives of the property and equipment:

Asset Type	Number of Years
Exploration equipment	3
Leasehold improvements	5 or lease term, whichever is shorter
Transportation equipment	5
Office equipment	3
Furniture and fixtures	4

The assets' estimated useful lives and depreciation and amortization method are reviewed periodically to ensure that these are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated items are retained as property and equipment until these are no longer in use.

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation, amortization and any impairment in value are removed from the accounts. Any resulting gain or loss is recognized in profit or loss.

Impairment of Nonfinancial Assets

The nonfinancial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists and where the carrying amount exceeds its estimated recoverable amounts, the asset or cash-generating unit is written down to its recoverable amount. The estimated recoverable amount of the asset is the higher of an asset's fair value less costs of disposal or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the separate statement of comprehensive income.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. However, that increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization for property and equipment, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such reversal, the depreciation and amortization is adjusted in future years to allocate the asset's revised carrying amount, on a systematic basis over its remaining useful life.

Derecognition of Nonfinancial Assets

A nonfinancial asset is derecognized upon disposal or when it is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of a nonfinancial asset is included in profit or loss in the period in which it is derecognized.

Equity

Capital Stock. Capital stock is measured at par value for all shares issued. Unpaid subscriptions are recognized as a reduction of subscribed capital.

Deficit. Deficit represents the cumulative balance of net loss.

Other Comprehensive Loss. All resulting remeasurement differences arising from fair valuation of equity investment designated as financial asset at FVOCI are recognized in other comprehensive loss and accumulated in equity.

Interest Income

Interest income is recognized as the interest accrues taking into account the effective yield on the assets, net of final tax.

Expense Recognition

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

General and Administrative Expenses. General and administrative expenses constitute costs of administering the business. These are recognized in profit or loss upon receipt of goods, utilization of services or when the expenses are incurred.

Basic and Diluted Loss per Share

The Company presents basic and diluted loss per share. Basic loss per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of common shares outstanding during the year, excluding common shares purchased by the Company and held as treasury shares, if any. Diluted loss per share is calculated in the same manner, adjusted for the effects of all the dilutive potential common shares.

Leases

A contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use, the customers has both of the following: (a) the right to obtain substantially all of the economic benefits from use of the identified asset; and (b) the right to direct the use of the identified asset.

If the Company has the right to control the use of an identified asset for only a portion of the term of the contract, the contract contains a lease for that portion of the term.

The Company also assesses whether a contract contains a lease for each potential separate lease component.

Short-term Lease and Lease of Low-value Asset. The Company has elected not to recognize right-of-use (ROU) asset and lease liability for short-term lease and lease of low-value asset. The Company recognized the lease payments associated with this lease as an expense on a straight-line basis over the lease term.

Short-term Employee Benefits

The Company provides short-term benefits to its employees in the form of basic pay, 13th month pay, bonuses, employer's share on government contribution, and other short-term benefits.

The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the year. Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

Income Taxes

Current Tax. Current tax is the expected tax payable on the taxable income for the year, using tax rate enacted or substantively enacted at the reporting date.

Deferred Tax. Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward benefits of the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and net operating loss carryover (NOLCO), to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and excess MCIT and NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred tax assets are reassessed at the end of each reporting year and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rate (and tax laws) in effect at the reporting date.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity as other comprehensive income.

Offsetting. Current tax assets and current tax liabilities are offset, or deferred tax assets and deferred tax liabilities are offset if, and only if, an enforceable right exists to set off the amounts and it can be demonstrated without undue cost or effort that the Company plans either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Foreign Currency Transactions

The Company determines its own functional currency and items included in the separate financial statements are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency rate at the transaction date.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate at the reporting date. All differences are taken to the separate statement of comprehensive income. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Related Parties

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity, or between, and/or among the reporting entity and its key management personnel, directors or its stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely to the legal form.

A related party transaction is a transfer of resources, services or obligations between the Company and its related parties.

Provisions and Contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provisions are reviewed at the end of each reporting year and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized in the separate financial statements. These are disclosed in the notes to separate financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the separate financial statements but disclosed in the notes to separate financial statements when an inflow of economic benefits is probable.

Events After the Reporting Date

Post year-end events that provide additional information about the Company's financial position at the end of reporting year (adjusting events) are reflected in the separate financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to separate financial statements when material.

3. Significant Judgments, Accounting Estimates and Assumptions

The preparation of the Company's separate financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the separate financial statements and accompanying notes. The judgments and estimates used in the separate financial statements are based upon management's evaluation of relevant facts and circumstances as at the reporting date.

While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

Judgments

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

Determination of Control over Investments. The Company determined that it has control over its subsidiaries by considering, among others, its power over its investees, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns. The following factors are:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual agreements; and
- The Company's voting rights and potential voting rights.

As at December 31, 2021 and 2020, management has assessed that it has control over its subsidiaries (see Note 8).

Capitalization of Exploration and Evaluation Expenditures. The capitalization of exploration and evaluation expenditures requires judgment in determining whether there are future economic benefits from future exploitation or sale of reserves. The capitalization requires management to make certain estimates and assumptions about future events or circumstances, in particular, whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

As at December 31, 2021 and 2020, deferred mining exploration costs amounting to ₱2.6 million were fully impaired upon management's assessment that the related projects were unsuccessful (see Note 10).

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Assessment of the ECL on Financial Assets at Amortized Cost. Significant portion of the Company's receivables, advances to a stockholder as well as the refundable and security deposits are from its related parties. These financial assets are noninterest-bearing and payable on demand. These exposures are considered to be in default when there is evidence that the related party is in significant financial difficulty such that it will have insufficient liquid assets to repay its obligation upon demand. This is assessed based on a number of factors including key liquidity and solvency ratios. Relying on the 90 days past due rebuttable presumption is not considered an appropriate backstop indicator given the lack of contractual payment obligations due throughout the life of the financial asset. After taking into consideration the related parties' ability to pay depending on the sufficiency of liquid assets and available forward-looking information, the risk of default of the related parties are assessed to be minimal.

For cash and cash equivalents, the Company applies low credit risk simplification. 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 resulting ECL for these financial assets is considered insignificant because the counterparty banks have no history of default and have good credit ratings.

Financial assets at amortized cost are considered as credit-impaired when contractual payments are 90 days past due and the counterparty is unlikely to settle its obligation to the Company, as evidenced by the following, among others:

- Significant financial difficulty or insolvency;
- Breach of financial covenants;
- Probability that the counterparty will enter bankruptcy or other financial reorganization.

No provision for ECL was recognized on the Company's financial assets in 2021, 2020 and 2019. As at December 31, 2021 and 2020, allowance for impairment loss on credit-impaired receivables amounted to ₱41,550 (see Note 5).

The carrying amounts of the Company's financial assets at amortized cost that were subjected to impairment testing are disclosed in Note 19.

Estimation of the Useful Lives of Property and Equipment. The Company estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimates are based on a collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful lives of property and equipment are reviewed at each reporting date and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. Future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned above. The amount and timing of recording of depreciation and amortization expense for any period would be affected by changes in these factors and circumstances.

There were no changes in the estimated useful lives of the Company's property and equipment in 2021, 2020 and 2019.

Depreciation and amortization amounted to ₱4,813, ₱4,811 and ₱4,812 in 2021, 2020 and 2019, respectively. Property and equipment, net of accumulated depreciation and amortization amounted to nil and ₱4,813 as at December 31, 2021 and 2020, respectively (see Note 11).

Assessment for the Recoverability of Input VAT. The carrying amount of input VAT is adjusted to an extent that it is probable that sufficient taxable revenue subject to output VAT will be available to allow all or part of the input VAT to be utilized. Any allowance for unrecoverable portion of input VAT is maintained at a level considered adequate to provide for potentially unrecoverable portion. The level of allowance is based on past application experience and other factors that may affect realizability.

No impairment loss was recognized on input VAT in 2021, 2020 and 2019. Input VAT amounted to ₱8.9 million and ₱8.6 million as at December 31, 2021 and 2020, respectively (see Note 7).

Assessment for the Impairment of Investments in Subsidiaries. The Company assesses impairment on investments in subsidiaries whenever events or changes in circumstances indicate that the carrying amount of these investments may not be recoverable. Factors that the Company considers in deciding whether to perform impairment review of investment in subsidiaries include the following, among others:

- A significant financial difficulty of the subsidiaries.
- A significant change in the technological, legal or economic environment in which the business operates.
- A significant decline in market value of the investments.

- A current-period loss combined with a history of losses or a projection of continuing losses associated with the investments.

The recoverability of the Company's investment in Tidemark is dependent on the results of operations of FEL. As discussed in Note 1, FEL encountered a delay in one of its drilling programs. In 2021, 2020 and 2019, management has assessed that no additional impairment loss should be recognized on the Company's investments in subsidiaries because the expected recoverable amount exceeds the carrying amount of the investments.

The carrying amount of investments in subsidiaries, net of accumulated impairment losses of ₱223.5 million, amounted to ₱645.6 million as at December 31, 2021 and 2020 (see Note 8).

Recognition of Deferred Tax Assets. The carrying amount of deferred tax assets at each reporting date are reviewed and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The Company's assessment on the recognition of deferred tax assets on deductible temporary differences is based on the forecasted taxable income of the subsequent reporting periods. This forecast is based on the Company's past results and future expectations on revenue and expenses.

The Company did not recognize deferred tax assets on deductible temporary differences totaling ₱14.6 million and ₱15.1 million as at December 31, 2021 and 2020, respectively (see Note 18). Management has assessed that it is not probable that future taxable profit will be available in the near future against which the deferred tax assets on these temporary differences can be utilized.

4. Cash and Cash Equivalents

This account consists of:

	2021	2020
Cash on hand and in banks	₱90,946,246	₱126,732
Short-term placements	–	11,909,553
	₱90,946,246	₱12,036,285

Cash in banks earn interest at the respective bank deposit rates and are immediately available for use in the current operations.

Short-term placements are made for varying periods of up to three months and earn interest ranging from 1.3% to 3.5% and 2.3% to 3.8% in 2020 and 2019, respectively.

Interest income recognized in the separate statements of comprehensive income arises from:

	Note	2021	2020	2019
Cash in banks and short-term placements		₱117,925	₱403,308	₱688,975
Short-term investments	6	–	–	290,565
		₱117,925	₱403,308	₱979,540

5. Receivables

This account consists of:

	Note	2021	2020
Receivable from:			
Related companies	13	₱34,992,181	₱26,367,481
Third party		190,450	190,450
Advances to officers and employees		552,540	466,828
Others		9,697	9,697
		35,744,868	27,034,456
Less allowance for impairment losses		41,550	41,550
		₱35,703,318	₱26,992,906

Receivables are unsecured, noninterest-bearing, due and demandable and are normally settled in cash.

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

No provision for impairment loss was recognized in 2021, 2020 and 2019.

6. Short-term Investments

This account pertains to the Company's time deposits placed in a local bank, with a term of one year amounting to ₱22.0 million as at December 31, 2018 with an annual interest ranging from 2.8% to 4.0%. The time deposits matured in 2019.

Interest income earned from short-term investments amounted to ₱290,565 in 2019 (see Note 4).

7. Other Current Assets

This account consists of:

	Note	2021	2020
Input VAT		₱8,854,368	₱8,585,839
Rental and security deposits	17	1,349,090	1,349,090
Prepayments		829	2,839
Others		7,234	9,634
		₱10,211,521	₱9,947,402

Prepayments consist of employees' medical insurance premiums which will expire within one year.

8. Investments in Subsidiaries

As at December 31, 2021 and 2020, this account consists of:

	Tidemark	AB Stock Transfer Corporation (ABSTC)	Total
Cost			
Balances at beginning and end of year	₱868,089,708	₱999,995	₱869,089,703
Accumulated Impairment Losses			
Balances at beginning and end of year	223,495,475	–	223,495,475
Carrying Amount	₱644,594,233	₱999,995	₱645,594,228

Tidemark

The Company, through Tidemark, a wholly-owned subsidiary based in Hong Kong, has 20.0% interest in FEL as at December 31, 2021 and 2020. On April 15, 2020, the Company, through Tidemark, fully paid its subscription to 1,666,666 previously unissued ordinary shares of FEL at USD0.30 per share or a total of USD0.5 million. This new subscription resulted in the Company maintaining its 20.0% ownership of FEL.

As discussed in Note 1, FEL encountered a delay in one of its drilling programs. It has submitted all the requirements for the issuance of required permits for the drilling program. The permit, however has not yet been issued by the relevant government body because of territorial dispute between the Philippines and China.

In November 2018, the Philippines and China entered into a MOU on Cooperation on Oil and Gas Development. Both countries have allotted a one-year period to discuss the signed MOU before instituting any firm agreement on a possible joint oil and gas exploration. Management believes that the MOU between China and the Philippines will soon be finalized and that the drilling operations can commence thereafter.

On December 21, 2018, FEL, through its subsidiary, Forum (GSEC 101) Limited, has sent a letter of request to the DOE to lift the Force Majeure imposed on SC 72.

On October 15, 2020, President Rodrigo Duterte approved the recommendation of the DOE to lift the moratorium on oil and gas exploration in the West Philippine Sea. The DOE issued the “Resume-to-Work” notice to the Service Contractors doing petroleum-related activities in the areas of SC 59, 72, and 75 in the West Philippine Sea.

As at December 31, 2021, drilling preparations are progressing accordingly. The work program and budget and annual procurement plan for 2022 were submitted to the DOE.

On April 6, 2022, there was a directive from the DOE to suspend exploration activities until the issuance of the “necessary clearance to proceed” from the SJGCC.

On April 20, 2022, the DOE sought a formal approval for reconsideration from the SJGCC to immediately allow resumption of oil exploration activities in the West Philippine Sea.

The ultimate outcome of the uncertainty on the conduct of drilling operation cannot be presently determined because of the territorial dispute in the West Philippine Sea.

Management has determined that there is no impairment loss to be recognized in 2021, 2020 and 2019 based on the most recent cash flow projections from FEL's service contracts.

The projections are mainly based on cash flows expected to be generated by SC 72 as approved by the management and are determined from feasibility studies and expectations on market development. Cash inflows consider the existing contracts and management's estimate of the average price per barrel of oil and revenue growth range. The cash flow projections were discounted using a rate that reflects current market assessments of time value of money and the risk specific to FEL. The status of other service contracts is also discussed in Note 1.

ABSTC

ABSTC was incorporated on June 24, 2010 and registered with the Philippine SEC to establish, operate and act as a transfer agent. As at December 31, 2021 and 2020, the Company has 99.9% ownership in ABSTC. ABSTC's principal place of operations is Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, Makati City.

Following are the aggregated summarized financial information of the subsidiaries as at and for the years ended December 31, 2021, 2020 and 2019 (in millions):

	2021	2020	2019
Assets	₱1,023.5	₱956.9	₱981.9
Liabilities	697.4	688.8	663.3
Equity	326.1	268.1	318.6
Net income	0.3	0.1	0.4

9. Equity Investment Designated as Financial Asset at FVOCI

Movements of this investment are as follows:

	2021	2020
Cost		
Balance at beginning and end of year	₱1,999,950	₱1,999,950
Cumulative Fair Value Adjustment		
Balance at beginning of year	(1,999,950)	152,335
Unrealized fair value loss	—	(2,152,285)
Balance at end of year	(1,999,950)	(1,999,950)
Carrying Amount	₱—	₱—

Quoted market prices are not readily available. Fair value of the investment is determined based on net asset method. The fair value of the equity investment designated as financial asset at FVOCI is classified under Level 3 of the fair value hierarchy. Management has assessed that any reasonably possible changes in the key assumptions would result to changes in the fair value of the equity investment (see Note 19).

10. Deferred Mining Exploration Cost

The realizability of deferred mining exploration cost is dependent upon the success of future exploration and development activities in proving the mining property's viability to produce minerals in commercial quantities. As at December 31, 2021 and 2020, deferred mining exploration costs amounting to ₱2.6 million were fully impaired upon management's assessment that the related projects were unsuccessful.

11. Property and Equipment

The composition of and movements in this account are as follows:

	2021					Total
	Exploration Equipment	Leasehold Improvements	Transportation Equipment	Office Equipment	Furniture and Fixtures	
Cost						
Balances at beginning and end of year	₱56,235	₱4,422,518	₱1,665,548	₱1,190,713	₱1,316,737	₱8,651,751
Accumulated Depreciation and Amortization						
Balances at beginning of year	51,422	4,422,518	1,665,548	1,190,713	1,316,737	8,646,938
Depreciation and amortization	4,813	—	—	—	—	4,813
Balances at end of year	56,235	4,422,518	1,665,548	1,190,713	1,316,737	8,651,751
Carrying Amount	₱—	₱—	₱—	₱—	₱—	₱—

	2020					Total
	Exploration Equipment	Leasehold Improvements	Transportation Equipment	Office Equipment	Furniture and Fixtures	
Cost						
Balances at beginning and end of year	₱56,235	₱4,422,518	₱1,665,548	₱1,190,713	₱1,316,737	₱8,651,751
Accumulated Depreciation and Amortization						
Balances at beginning of year	46,611	4,422,518	1,665,548	1,190,713	1,316,737	8,642,127
Depreciation and amortization	4,811	—	—	—	—	4,811
Balances at end of year	51,422	4,422,518	1,665,548	1,190,713	1,316,737	8,646,938
Carrying Amount	₱4,813	₱—	₱—	₱—	₱—	₱4,813

The cost of fully depreciated and amortized assets still in use amounted to ₱8.6 million as at December 31, 2021 and 2020.

12. Payables and Other Current Liabilities

This account consists of:

	Note	2021	2020
Payable to related companies	13	₱33,474	₱33,474
Accruals:			
Professional fees		262,996	410,778
Salaries and employee benefits		47,000	47,000
Utilities and other office expenses		28,216	28,216
Advances from officers and employees		368,924	368,924
Retention payable		95,000	95,000
Withholding taxes payable		34,234	9,963
Other statutory payables		18,152	11,429
Others		39,395	39,395
		₱927,391	₱1,044,179

Payable to related companies, advances from officers and employees and retention payable are noninterest-bearing, due and demandable, and are payable in cash.

Accrued expenses, statutory and other payables are normally settled within the following month.

13. Related Party Transactions

The Company, in its regular conduct of business, has transactions with its related parties. The outstanding balances and amount of transactions with related parties are as follows:

	Note	Nature of Transaction	Transactions During the Year		Outstanding Balances	
			2021	2020	2021	2020
Receivable from related companies	5					
<i>Wholly-owned subsidiaries:</i>						
		Cash advances for investing and working capital requirements	₱8,657,221	₱25,404,990	₱34,339,310	₱25,682,089
Tidemark ABSTC		Allocated rent, salaries, utilities and other shared costs	475,916	519,243	36,555	69,076
<i>Entities under common management:</i>						
Alphaland Heavy Equipment Corporation		Allocated costs	—	—	579,305	579,305
Alphaland Balesin Island Club, Inc.		Reimbursements	—	—	32,500	32,500
Alphaland Corporation		Reimbursements	—	3,715	3,715	3,715
Alphaland Aviation, Inc.		Reimbursements	—	—	796	796
					₱34,992,181	₱26,367,481
Rental and security deposits	17					
<i>Entities under common management -</i>						
Alphaland Southgate Tower, Inc. (ASTI)		Deposits in relation to a lease agreement	₱—	₱—	₱1,349,090	₱1,349,090
Payable to related companies	12					
<i>Wholly-owned subsidiary -</i>						
ABSTC		Stock transfer services	₱180,000	₱180,000	₱—	₱—
<i>Entities under common management:</i>						
ASTI		Allocated costs	—	26,879	33,074	33,074
Alphaland Makati Place, Inc. (AMPI)		Lease of office space and utilities	—	—	400	400
					₱33,474	₱33,474
Advances to a stockholder						
<i>Stockholders</i>		Cash advances	₱210,000,000	₱—	₱194,865,252	₱—
Advances from stockholders						
<i>Stockholders</i>		Working capital advances	₱—	₱7,621,500	₱—	₱7,621,500

Receivable from and payable to related companies, except for advances to a stockholder are unsecured, noninterest-bearing, due and demandable, and settlements occur in cash. Receivable from related companies arising from service fees are subject to normal credit terms. Advances to a stockholder is unsecured, noninterest-bearing and to be settled in cash within one year from date of issuance. In 2021, 2020, and 2019 the Company has not made any provision for impairment losses relating to the amounts owed by related parties

In April 2020, the Company received advances from stockholders for working capital. These advances are noninterest bearing and payable in one year and in cash.

Compensation of Key Management Personnel

The compensation of the key management personnel is handled by AMPI, an entity under common management, at no cost to the Company.

14. Capital Stock

The composition of the Company's capital stock consisting of all common shares as at December 31, 2021 and 2020 is as follows:

	2021		2020	
	Number of Shares	Amount	Number of Shares	Amount
Authorized - ₱1.0 par value	10,000,000,000	₱10,000,000,000	10,000,000,000	₱10,000,000,000
Subscribed				
Balance at beginning and end of year	2,545,000,000	₱2,545,000,000	2,545,000,000	₱2,545,000,000
Less subscription receivable				
Balance at beginning and end of year	–	(1,485,000,000)	–	(1,485,000,000)
Collection	–	294,023,160	–	–
Balance at end of year	–	(1,190,976,840)	–	(1,485,000,000)
Outstanding	2,545,000,000	₱1,354,023,160	2,545,000,000	₱1,060,000,000

The Company listed its shares in the PSE on January 8, 1948. As at December 31, 2021 and 2020, 953,963,474 of the Company's shares are listed in the PSE (see Note 1).

Pursuant to the PSE's rules on minimum public ownership, at least 10% of the issued and outstanding shares of a listed company must be owned and held by the public. As at December 31, 2021 and 2020, public ownership over the Company is 13.64% and 10.25%, respectively.

As at December 31, 2021 and 2020, the Company has 4,179 and 4,181 stockholders of record, respectively.

15. General and Administrative Expenses

This account consists of:

	Note	2021	2020	2019
Professional fees		₱1,710,527	₱1,687,450	₱1,385,005
Salaries and wages		927,042	608,391	666,757
PSE listing maintenance fee		765,217	1,056,544	1,476,735
Rent	17	187,511	187,511	165,909
Representation		174,166	8,808	64,863
Supplies		94,382	175,519	379,304
Communications		73,592	–	393
Utilities, dues and subscriptions		44,082	49,461	27,665

(Forward)

	Note	2021	2020	2019
Taxes and licenses		₱38,225	₱55,087	₱35,149
Depreciation and amortization	11	4,813	4,811	4,812
Transportation and travel		260	656	3,412
Mining exploration cost		—	23,901	61,307
Medical and hospitalization		—	—	45,514
Others		131,402	102,215	110,524
		₱4,151,219	₱3,960,354	₱4,427,349

16. Basic and Diluted Loss Per Share

Basic and diluted loss per share is computed as follows:

	2021	2020	2019
Net loss (a)	(₱3,584,799)	(₱3,557,046)	(₱3,447,809)
Weighted average number of outstanding shares (b)	2,545,000,000	2,545,000,000	2,545,000,000
Basic and diluted loss per share (a/b)	(₱0.0014)	(₱0.0014)	(₱0.0014)

The Company has no dilutive potential common shares outstanding, therefore basic loss per share is the same as diluted loss per share.

17. Lease Agreements

The Company is also being charged an annual rent for a leased storage facility located in Agusan Del Norte. The contract is renewable annually upon mutual agreement of the parties.

The Company also recognizes an expense for its share in the office rental payments from ABSTC.

Total rent expense recognized by the Company amounted to ₱187,511 in 2021 and 2020 and ₱165,909 in 2019 (see Note 15).

As at December 31, 2021 and 2020, the Company has a rental and security deposit from ASTI in relation to an office lease agreement amounting to ₱1.3 million, which was terminated in 2016 (see Note 13).

18. Income Taxes

The provision for income tax in 2021 amounting to ₱3,270 represents MCIT. There is no provision for current income in 2020 and 2019 due to the Company's tax loss position.

Deferred tax liability amounting to ₱41,588 as at December 31, 2021 arises from unrealized foreign exchange gain.

The deferred tax assets on the following deductible temporary differences were not recognized because management has assessed that it is not probable that there will be sufficient taxable profit against which the benefits of the deferred tax assets on these temporary differences can be utilized.

	Note	2021	2020
NOLCO		₱11,964,085	₱12,418,487
Accumulated impairment losses on:			
Deferred mining exploration cost	10	2,613,940	2,613,940
Receivables	5	41,550	41,550
MCIT		3,270	—
		₱14,622,845	₱15,073,977

The Company has NOLCO which can be carried forward and claimed as deduction from future taxable income as follows:

Year Incurred	Balance at Beginning of Year	Incurred	Expired	Balance at End of Year	Valid Until
2021	₱—	₱3,650,053	₱—	₱3,650,053	2026
2020	3,951,546	—	—	3,951,546	2025
2019	4,362,486	—	—	4,362,486	2022
2018	4,104,455	—	(4,104,455)	—	2021
	₱12,418,487	₱3,650,053	(₱4,104,455)	₱11,964,085	

As mandated by Section 4 of Republic Act (RA) No. 11494 or the "Bayanihan to Recover as One Act" and implemented under Revenue Regulations No. 25-2020, the net operating loss of a business enterprise incurred for the taxable years 2020 and 2021 can be carried over as a deduction from taxable income for the next five consecutive taxable years following the year of such loss.

The Company's excess MCIT over RCIT incurred 2021 amounting to ₱3,270 can be carried forward and claimed as deduction against income tax due until 2024.

The reconciliation between the benefit from income tax computed at statutory income tax rate and provision for income tax at effective income tax rate is as follows:

	2021	2020	2019
Benefit from income tax computed			
at statutory income tax rate	(₱884,985)	(₱1,067,114)	(₱1,034,343)
Expired NOLCO	1,026,114	2,058,632	5,176,881
Changes in unrecognized deferred tax assets	(864,031)	(873,168)	(3,868,135)
Effect of change in tax rate	753,699	—	—
Add (deduct) tax effects of:			
Interest income already subjected to final tax	(29,481)	(120,992)	(293,862)
Nondeductible expenses	43,542	2,642	19,459
Provision for income tax at effective tax rate	₱44,858	₱—	₱—

The Corporate Recovery and Tax Incentives for Enterprises (“CREATE”) Act

On March 26, 2021, RA No. 11534 or the CREATE Act was signed into law by the President of the Philippines which shall take effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation.

Under the CREATE Act, RCIT of domestic corporations was reduced from 30% to 25% or 20% RCIT depending on the amount of total assets and taxable income. In addition, MCIT was changed from 2% to 1% of gross income for a period of three years. The changes in the income tax rates shall retrospectively become effective beginning July 1, 2020.

However, since the CREATE Act was approved subsequent to December 31, 2020, the income tax rates used in preparing the separate financial statements as at and for the year ended December 31, 2020 is still 30% and 2% for RCIT and MCIT, respectively. The impact of CREATE Act in the 2020 income tax was accounted for in the 2021 separate financial statements.

19. Financial Risk Management Objectives and Policies

The Company’s principal financial instruments consist of cash and cash equivalents, receivables (excluding advances to officers and employees), advances to a stockholder, rental and security deposits (presented under “Other current assets” account), equity investment designated as financial asset at FVOCI, payables and other current liabilities (excluding statutory payables) and advances from stockholders.

The main purpose of the Company’s dealings in financial instruments is to fund its operations and capital expenditures.

The Company’s risk management policies are established to identify and analyze the risks faced by the Company, 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 the Company’s activities. All risks faced by the Company are incorporated in the annual operating budget. Mitigating strategies and procedures are also devised to address the risks that inevitably occur so as not to affect the Company’s operations and detriment forecasted results. The Company, 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 main risks arising from the Company’s financial instruments are market risk, credit risk and liquidity risk. The BOD reviews and institutes policies for managing each of the risks and these are summarized below.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and other market prices will adversely affect the Company’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 Company is subject to minimal transaction and translation exposures resulting from currency exchange fluctuations in relation to its financial instruments. The Company 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.

Credit Risk

Credit risk is a risk wherein a counterparty fails to meet its obligations. When the counterparty defaults, the maximum exposure is generally equal to the carrying amount of the related financial asset. The Company's credit risk arises principally from cash and cash equivalents, receivables (excluding advances to officers and employees), advances to a stockholder and rental and security deposits (presented under "Other current assets" account).

The Company trades only with recognized and credit-worthy third parties as well as with related parties. In addition, the Company only deals with financial institutions duly evaluated and approved by the BOD.

The table below shows the credit quality per class of financial assets as at December 31, 2021 and 2020.

	2021					
	Neither Past Due nor Impaired			Past Due but not Impaired	Credit-impaired	Total
	High Grade	Standard Grade	Substandard Grade			
Financial assets at amortized cost:						
Cash and cash equivalents*	₱90,931,520	₱—	₱—	₱—	₱—	₱90,931,520
Receivables**	35,150,778	—	—	—	41,550	35,192,328
Advances to a stockholder	194,865,252	—	—	—	—	194,865,252
Rental and security deposits***	1,349,090	—	—	—	—	1,349,090
	₱322,296,640	₱—	₱—	₱—	₱41,550	₱322,338,190

*Excluding cash on hand amounting to ₱14,726.

**Excluding advances to officers and employees.

***Presented under "Other current assets" account.

	2020					
	Neither Past Due nor Impaired			Past Due but not Impaired	Credit-impaired	Total
	High Grade	Standard Grade	Substandard Grade			
Financial assets at amortized cost:						
Cash and cash equivalents*	₱12,021,559	₱—	₱—	₱—	₱—	₱12,021,559
Receivables**	26,526,078	—	—	—	41,550	26,567,628
Rental and security deposits***	1,349,090	—	—	—	—	1,349,090
	₱39,896,727	₱—	₱—	₱—	₱41,550	₱39,938,277

*Excluding cash on hand amounting to ₱14,726.

**Excluding advances to officers and employees.

***Presented under "Other current assets" account.

The credit quality of the financial assets is managed by the Company using internal credit quality ratings.

High grade consists of financial assets from counterparties with good financial condition and with relatively low defaults. This also includes transactions with related parties with sufficient liquid assets to settle its obligation upon demand of the Company. Financial assets having risks of default but are still collectible are considered as standard grade accounts. Financial assets that require persistent effort from the Company to collect are considered substandard grade accounts.

Cash in banks and cash equivalents are considered high grade as these pertain to deposits and placements in reputable banks with prime ratings. The Company considers that these financial assets have low credit risk based on the external ratings of the counterparties.

Receivables and rental and security deposits are mainly exposures to related parties and are considered as high grade because the related parties are operating entities with sufficient liquid assets to repay the receivables upon demand by the Company.

Impairment of financial assets at amortized cost has been measured on 12-month ECL basis and reflects the short maturities of the exposures. The resulting ECL is not significant because the financial assets are considered high grade with minimal risk of default.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company 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 Company's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal requirements.

The Company's payable to related companies and advances from officers and employees amounting to ₱402,398 as at December 31, 2021 and 2020 are due and demandable. The remaining balance of payables and other current liabilities (excluding statutory payables) amounting to ₱472,607 and ₱620,389 as at December 31, 2021 and 2020, respectively, have a maturity of less than three months. The advances from stockholders amounting to ₱7.6 million as at December 31, 2020 are payable in one year.

Fair Value Measurement

The table below presents the financial assets and liabilities of the Company whose carrying amounts approximate its fair values primarily due to the short-term nature of the transactions:

	2021	2020
Financial Assets at Amortized Cost		
Cash and cash equivalents	₱90,946,246	₱12,036,285
Receivables*	35,150,778	26,526,078
Rental and security deposits**	1,349,090	1,349,090
	₱127,446,114	₱39,911,453
Financial Liability at Amortized Cost		
Payables and other current liabilities***	₱875,005	₱1,022,787
Advances from stockholders	—	7,621,500
	₱875,005	₱8,644,287

* Excluding advances to officers and employees.

** Presented under "Other current assets" account.

*** Excluding withholding taxes and other statutory payables.

Equity Investment Designated as Financial Asset at FVOCI. Fair value of equity investment designated as financial asset at FVOCI is determined using the adjusted net asset method. Adjusted net asset method focuses on an entity's net asset value or the fair market value of its total assets minus total liabilities to determine what it would cost to recreate the business. This fair value measurement approach is categorized under Level 3 of the fair value hierarchy (significant unobservable inputs). Increase (decrease) in the investee's net assets will result to a higher (lower) fair value. There were no changes in fair value hierarchy.

Capital Management Policy

The primary objective of the Company'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 Company considers equity amounting to ₱977.9 million and ₱684.4 million as at December 31, 2021 and 2020, respectively, as capital employed.

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

The debt-to-equity ratios as at December 31 are as follows:

	2021	2020
Total debt	₱972,249	₱8,665,679
Total equity	977,873,316	687,434,955
	0.001:1	0.013:1

The Company manages its capital structure and makes adjustments to it when there are changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust its borrowings or raise capital. No changes were made in the objectives, policies or processes in 2021 and 2020.

20. Other Matter

In 2020, the country experienced the COVID-19 pandemic resulting in a slowdown in the Philippine economy because of mandated lockdowns all over the country. The global pandemic did not have a significant impact on the Company's operations for the year ended December 31, 2021 and 2020.

It is not practicable, however, to estimate the potential impact of the still prevailing crisis on the Company's operation after the reporting date. Management believes that the Company can continue as a going concern given its liquidity and its ability to obtain short-term and long-term funding.



REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Atok-Big Wedge Co., Inc.
Alphaland Makati Place
7232 Ayala Avenue corner Malugay Street
Makati City, Metro Manila

We have audited in accordance with Philippine Standards on Auditing, the separate financial statements of Atok-Big Wedge Co., Inc. (the Company) as at December 31, 2021 and 2020, and for the years ended December 31, 2021, 2020 and 2019, and have issued our report thereon dated April 20, 2022. Our audits were made for the purpose of forming an opinion on the separate financial statements taken as a whole. The accompanying supplementary schedule of Reconciliation of Retained Earnings Available for Dividend Declaration is the responsibility of the Company's management.

This supplementary schedule is presented for purposes of complying with the Revised SRC Rule 68, and is not part of the separate financial statements. The supplementary information have been subjected to the auditing procedures applied in the audit of the separate financial statements, including comparing such information directly to the underlying accounting and other records used to prepare the separate financial statements or to the separate financial statements themselves. In our opinion, the supplementary information is fairly stated in all material respect in relation to the separate financial statements taken as a whole.

REYES TACANDONG & Co.


ARTHUR VINSON U. ONG

Partner

CPA Certificate No. 120745

Tax Identification No. 253-222-555-000

BOA Accreditation No. 4782; Valid until April 13, 2024

SEC Accreditation No. 120745-SEC Group A

Issued March 29, 2022

Valid for Financial Periods 2021 to 2025

BIR Accreditation No. 08-005144-015-2020

Valid until July 1, 2023

PTR No. 8851717

Issued January 3, 2022, Makati City

April 20, 2022
Makati City, Metro Manila

ATOK-BIG WEDGE CO., INC

**SUPPLEMENTARY SCHEDULE OF RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
DECEMBER 31, 2021**

Deficit as shown in the separate financial statements, at beginning of year	(P370,565,095)
Adjustment for:	
Impairment loss on investment in a subsidiary	223,495,475
Deficit, as adjusted, at beginning of year	(147,069,620)
Net loss closed to deficit	(3,584,799)
Deficit, as adjusted, at end of year	(P150,654,419)



**REPORT OF INDEPENDENT AUDITORS
ON SUPPLEMENTARY SCHEDULE
OF FINANCIAL SOUNDNESS INDICATORS**

The Stockholders and the Board of Directors
Atok-Big Wedge Co., Inc.
Alphaland Makati Place
7232 Ayala Avenue corner Malugay Street
Makati City, Metro Manila

We have audited in accordance with Philippine Standards on Auditing, the separate financial statements of Atok-Big Wedge Co., Inc. (the Company) as at December 31, 2021 and 2020, and for the years ended December 31, 2021, 2020 and 2019, and have issued our report thereon dated April 20, 2022. Our audits were made for the purpose of forming an opinion on the basic separate financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, is the responsibility of the Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic separate financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Company's separate financial statements as at December 31, 2021 and 2020, and for the years ended December 31, 2021, 2020 and 2019 and no material exceptions were noted.

REYES TACANDONG & Co.


ARTHUR VINSON U. ONG

Partner

CPA Certificate No. 120745

Tax Identification No. 253-222-555-000

BOA Accreditation No. 4782; Valid until April 13, 2024

SEC Accreditation No. 120745-SEC Group A

Issued March 29, 2022

Valid for Financial Periods 2021 to 2025

BIR Accreditation No. 08-005144-015-2020

Valid until July 1, 2023

PTR No. 8851717

Issued January 3, 2022, Makati City

April 20, 2022
Makati City, Metro Manila

ATOK-BIG WEDGE CO., INC.

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

AS AT DECEMBER 31, 2021 and 2020

Ratio	Formula	2021	2020
Current ratio	Total Current Assets	₱331,726,337	₱48,976,593
	Divided by: Total Current Liabilities	930,661	8,665,679
		356.44:1	5.65:1
Acid test ratio	Total Current Assets	₱331,726,337	₱48,976,593
	Less: Other Current Assets	(10,211,521)	(9,947,402)
	Quick Assets	321,514,816	39,029,191
	Divide by: Total Current Liabilities	930,661	8,665,679
		345.47:1	4.50:1
Solvency ratio	Net Loss Before Depreciation and Amortization and Income Tax	(₱3,535,128)	(₱3,552,235)
	Divide by: Total Liabilities	972,249	8,665,679
		(3.64):1	(0.41):1
Debt-to-equity ratio	Total Liabilities	₱972,249	₱8,665,679
	Divide by: Total Equity	977,873,316	687,434,955
		0.001:1	0.013:1
Asset-to-equity ratio	Total Assets	₱978,845,565	₱696,100,634
	Divide by: Total Equity	977,873,316	687,434,955
		1.00:1	1.01:1

Contextual Information

Company Details	
Name of Organization	Atok-Big Wedge Co., Inc.
Location of Headquarters	Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, Makati City 1209 Philippines
Location of Operations	Alphaland Makati Place, 7232 Ayala Avenue corner Malugay Street, Makati City 1209 Philippines
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	Atok-Big Wedge Co., Inc. and its subsidiary, AB Stock Transfers Corporation
Business Model, including Primary Activities, Brands, Products, and Services	Atok is one of the oldest mining companies in the Philippines. It has business in mining, oil, gas and natural resources exploration and development.
Reporting Period	31 December 2021
Highest Ranking Person responsible for this report	President

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.¹⁴

As a company in the mining business, Atok Big Wedge Co., Inc. (“Atok” or the “Company”) recognizes the importance of operating responsibly, ensuring the health and safety of its employees, the local community it operates in, as well as the preservation of the environment where it has mining exploration works.

Economic, social and environmental sustainability are at the forefront of Atok’s business strategy. To ensure that these important factors are included in all decisions taken by the Company, Atok developed a management framework that both promotes sustainability and provides guidelines for decision-making throughout the Company.

BUSINESS OPERATIONS:

Atok is committed to international health and safety standards, and the conservation of the environment as one of its core values.

Health and Safety

¹⁴ See GRI 102-46 (2016) for more guidance.

Atok provides for health and medical insurance for all its employees so they can access the best health care in the country at no cost to them. To prevent the spread of the COVID-19 infection, the Company provided facemasks, face shields and disinfecting mats and solutions for the use of its employees. Equipment needed to screen and monitor employees and visitors were purchased. The Company also provided occupational safety and health training to its designated officer, first aid training to its employees, and complies with the safety requirements and regulations imposed by the Makati City Local Government at its head office.

Environment

Atok has committed to undertake activities without endangering the environment as well as the health and safety of its employees in its Exploration Permit Application.

FINANCE

Atok has placed internal finance controls to ensure that it complies with the strict corporate governance principles all listed companies in the Philippines are expected to comply. Currently, Atok has no financial lenders.

LEGAL AND COMPLIANCE

Legal and Compliance sustainability risks include bribery, corruption, and potential regulatory changes brought about by changes in the political landscape.

Atok has conducted its business with utmost regard to business ethics, with zero tolerance for bribery and corruption. Atok has a code of discipline for strict observance of its employees which places zero tolerance for corruption and bribery.

PEOPLE AND CULTURE

The greatest resource of Atok is its dedicated employees that move the company to greater heights. Atok is committed to provide a working environment that encourages its employees to do their best work. The company has in place a code of discipline to promote the welfare of its employees, as well as policies related to gifts, entertainment and sponsored travels. It also has written policies on conflict of interest and related party transactions. These policies are regularly reviewed and updated to ensure that that welfare of its employees is well-protected.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	2,211,018	Php
Direct economic value distributed		

a. Operating costs	3,124,242	Php
b. Employee wages and benefits	1,695,797	Php
c. Payments to suppliers, other operating costs	439,689	Php
d. Dividends given to stockholders and interest payments to loan providers	0.00	Php
e. Taxes given to government	186,199	Php
f. Investments to community (e.g. donations, CSR)	0.00	Php

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>The company presently derives revenue indirectly through its subsidiary AB Stock Transfers Corporation.</p> <p>The company contributes to economic growth by paying taxes to the local government.</p>	All Stakeholders	The company ensures that the operations and financial affairs are managed in a sound and prudent manner. Financial and internal controls are in place to ensure reliability and integrity of financial and operational information.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Should the company start the exploration and development of new projects within the Philippines, financial lenders can look on the company's sustainability programs as part of their corporate lending requirements.	All Stakeholders	The company is committed to corporate sustainable practices. However, it acknowledges that this has not been a part of its previous formal reporting until this year. The Company commits to make more comprehensive sustainability reports in the future to assist potential financial lenders in their assessment of Atok.

Climate-related risks and opportunities¹⁵

Disclose the organization's governance around climate-related risks	Disclose the actual and potential impacts¹⁶ of climate-related risks and opportunities on	Disclose how the organization identifies, assesses, and manages climate-related risks	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities
--	---	--	--

¹⁵ Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCTD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

¹⁶ For this disclosure, impact refers to the impact of climate-related issues on the company.

and opportunities	the organization's businesses, strategy, and financial planning where such information is material		where such information is material
<p>Assessment of Climate-related risks and opportunities is performed by the Company's Board of Directors with the aid of the company's audit group which is responsible for identifying risk exposures and recommending actions to minimize the potential damage therefrom.</p>	<p>Actual climate related risks are minimal considering that the exploration permit applications of the Company are still being reviewed by the Mines and Geosciences Bureau. When the company proceeds to do actual exploration work, the climate in the regions where it will conduct exploration works, specifically in the Agusan region, will play a factor in the operation of the company and will have to be assessed and managed to ensure productive work despite changing climate and the occasional storms that hit the region.</p>	<p>The Company's internal audit group is tasked to identify climate-related risks and propose measures to mitigate and manage them. The recommendations are then deliberated by the company's Board of Directors through its Executive Committee which may adopt the recommendations or, upon discussions, supplement or take a different action to mitigate and manage the climate-related risks identified by the audit group.</p>	<p>Currently, Atok is not operating any mine as its exploration permit application is still being reviewed by the Mines and Geosciences bureau, Once actively operating the mining locations in its Exploration Permit Application, the Company will engage in direct and indirect monitoring of the metrics needed to assess and manage climate-related risks and opportunities.</p>
Recommended Disclosures			
<p>a) Describe the board's oversight of climate-related risks and opportunities</p> <p>The board's oversight of climate-related risks is performed by the Company's Executive Committee in an AD HOC capacity as and when the climate-related risks require the</p>	<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term</p> <p>Considering that the exploration permit application of the Company is still under review, the bulk of the</p>	<p>a) Describe the organization's processes for identifying and assessing climate-related risks</p> <p>As discussed, the responsible party for identifying and assessing climate-related risks is with the Audit department of the Company which is tasked to create reports every six</p>	<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</p> <p>Currently, Atok is not operating any mine as its exploration permit application is still being reviewed by the Mines and Geosciences bureau, Once actively operating the mining</p>

attention of the Executive Committee.	<p>work is in coordination with the regulatory bodies for them to act on the applications.</p> <p>In the short-term, the company complies with the segregation of waste between biodegradable and non-biodegradable to help in the preservation of the environment. The Company discourages the use of plastic products in compliance with local ordinance on use of plastic.</p>	<p>months on climate-related risks including proposals to mitigate and manage them. The report is then submitted to the Executive Committee of the Board of Directors for its appropriate action.</p>	<p>locations in its Exploration Permit Application, the Company will engage in direct and indirect monitoring of the metrics needed to assess and manage climate-related risks and opportunities.</p>
<p>b) Describe management's role in assessing and managing climate-related risks and opportunities</p> <p>Management's reviews and refines the report of the Audit Department on climate-related risks before passing to the Executive Committee of the Board of Directors for its appropriate action.</p>	<p>b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.</p> <p>Climate-related risks are given due consideration in planning and executing the organization's business strategies and financial planning. The procurement of equipment to mitigate and manage the risks identified will have a significant impact in the financial planning of the Company.</p>	<p>b) Describe the organization's processes for managing climate-related risks.</p> <p>As discussed, the responsible party for identifying and assessing climate-related risks is with the Audit department of the Company which is tasked to create reports every six months on climate-related risks including proposals to mitigate and manage them. The report is then submitted to the Executive Committee of the Board of Directors for its appropriate action.</p>	<p>b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p> <p>Currently, Atok is not operating any mine as its exploration permit application is still being reviewed by the Mines and Geosciences bureau, Once actively operating the mining locations in its Exploration Permit Application, the Company will engage in direct and indirect monitoring of the metrics needed to assess and manage climate-related risks and opportunities.</p>
	c) Describe the resilience of the organization's	c) Describe how processes for identifying, assessing, and managing climate-	

	<p>strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario</p> <p>The risk management plan and action put in motion by the Executive Committee of the Board of Directors is subject to periodic review and adjustments by the Audit Committee, whose report will then be subject to review by management before submitting to the Board of Directors for appropriate action.</p>	<p>related risks are integrated into the organization's overall risk management</p> <p>Atok management practices a comprehensive approach in planning and executing the Company's overall risk management, taking into consideration all the climate-related risks before planning and executing an overall Risk Management strategy and action.</p>	
--	--	--	--

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	100	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Using local suppliers keeps the company's costs down and helps increase the revenue of the local economy.	Suppliers	Qualified and capable suppliers are prioritized for the company's procurement needs. If there are no local suppliers available, foreign suppliers are sought.
What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
There are instances when local suppliers might be unable to meet the demand.	Suppliers	Suppliers must go through accreditation so their capabilities

		to provide the company's requirements can be assessed.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Engaging local suppliers cuts down on fuel consumption and air pollution, reducing the company's energy usage and carbon emissions. Shipping and storage costs are also reduced, allowing the company to be more competitive.	Suppliers	The company must be a good customer and maintain mutually beneficial relationships with its suppliers to ensure the timely delivery of goods and services at competitive prices.

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of directors and management that have received anti-corruption training	100	%
Percentage of employees that have received anti-corruption training	0	%

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e. primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>The Company has yet to record an actual incident of bribery or corruption in its workplace.</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>NA</p>	<p><i>What policies commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>Management has issued several policies to prevent corruption in the workplace. These policies include: procurement policy, policy of gifts, related party transactions policy, policy for contract bidding and</p>

		awards and the code of conduct for all employees to observe
What are the Risk/s Identified Some of the risks identified are: employees manipulating contract evaluation and proposals in exchange for bribes; suppliers seeking connections to increase chances of contract award; Products or services that have not undergone official procurement procedure; end the like.	Which stakeholders are affected? Suppliers, Employees, Consultants of the company.	Management Approach Management has issued various policies which outline the procedure for investigation and disposition of bribery and corruption incidents. These policies include: procurement policy, policy of gifts, related party transactions policy, policy for contract bidding and awards and the code of conduct for all employees to observe.
<i>Identify risk/s related to material topic of the organization</i>		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i> A sound supply chain management provides opportunities for vendor interaction to further improve products and services and negotiates for more competitive prices through open bidding	Employees, Suppliers, consultants of the company	Atok is committed to the highest professional standards, core values and ethics, and has zero tolerance for bribery or any other form of corruption.

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplines for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Identify the impact and where it occurs (i.e. primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to</i>	<i>(e.g. employees, community, suppliers, government, vulnerable groups)</i>	<i>What policies commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and</i>

<i>impacts through its business relationship)</i> The company has yet to record an actual incident of bribery or corruption in the workplace.	NA	<i>initiatives do you have to manage the material topic?</i> NA
What are the Risk/s Identified Some of the risks identified are: employees manipulating contract evaluation and proposals in exchange for bribes; suppliers seeking connections to increase chances of contract award; Products or services that have not undergone official procurement procedure; end the like.	Which stakeholders are affected? Employees, suppliers, consultants of the company	Management Approach Atok is committed to the highest professional standards, core values and ethics, and has zero tolerance for bribery or any other form of corruption.
<i>Identify risk/s related to material topic of the organization</i>		
What are the Opportunity/ies Identified? A sound supply chain management provides opportunities for vendor interaction to further improve products and services and negotiates for more competitive prices through open bidding	Which stakeholders are affected? Employees, suppliers, consultants of the company	Management Approach Atok is committed to the highest professional standards, core values and ethics, and has zero tolerance for bribery or any other form of corruption.
<i>Identify the opportunity/ies related to material topic of the organization</i> Procurement should be done by open, competitive bidding except on unavoidable circumstances	Employees, suppliers, consultants of the company	Communicate the business policies of Atok regularly to all stakeholders.

ENVIRONMENT

Resources Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	0	GJ
Energy consumption (LPG)	0	GJ
Energy consumption (diesel)	0	GJ
Energy consumption (electricity)	7,000	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	0	GJ
Energy consumption (LPG)	0	GJ
Energy consumption (diesel)	0	GJ
Energy consumption (electricity)	Minimal	kWh

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Continuous reduction of energy consumption is being done through implementation of energy conservation measures.	Employees	The company has been implementing cost cutting measures since 2016 resulting in the proper monitoring of and reduction in general and administrative expenses.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Employees would use office equipment inefficiently resulting to higher energy consumption. Equipment energy saving features are sometimes overlooked and not fully utilized. Also, some employees were required to live in the office building to minimize catching COVID-19 and other infections. This resulted in an increase in energy consumption following the onset of the pandemic.	Employees	Employees are continuously monitored and reminded to use office equipment efficiently, and to turn these off when no longer in use. During maintenance, equipment technicians are requested to orient employees on the energy saving features of the company's office equipment.
What are the Opportunity/ies Identified?	Which stakeholders are	Management Approach

	affected?	
Management is assessing the impact of the work from home arrangement offered to some employees during the quarantine to adhere to pandemic minimum health standards, to decrease operational costs and to increase an employee's productivity by minimizing their travel time.	Employees	Management continues to assess the practicality and viability of implementing a work from home policy.

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	0	Cubic meters
Water consumption	No available data *	Cubic meters
Water recycled and reused	0	Cubic meters

- Water use at the Atok-Big Wedge Co., Inc. headquarters is limited to the common area toilets only.

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Water management is essential to Atok-Big Wedge Co., Inc., following the water scarcity experienced in 2019.	Employees, General Community	The company continues to educate its employees on the proper/efficient use of water.
What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
Some employees were required to live in the office building to minimize catching COVID-19 and other infections. This resulted in an increase in water consumption following the onset of the pandemic.	Employees, Building Management	The company emphasizes the responsible use of water to its employees and encourages them to report leaks to the building management to avoid water wastage.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Water conservation helps prolong the water supply, particularly during the dry months, when water reservoirs fall below normal levels.	Employees, General Community	The company instills water conservation practices to employees.

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		

• Renewable	0	Kg/liters
• Non-renewable	0	Kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	0	%

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Identify the impact and where it occurs (i.e. primary business operations and/or supply chain)</i> <i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i> Not Applicable	<i>(e.g. employees, community, suppliers, government, vulnerable groups)</i> Not Applicable	<i>What policies commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i> Not Applicable
What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
<i>Identify risk/s related to material topic of the organization</i> Not Applicable	 Not Applicable	 Not Applicable
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i> Not Applicable	 Not Applicable	 Not Applicable

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	0 *	ha
Habitats protected or restored	0	ha
IUCN ¹⁷ Red List species and national conservation list species with habitats in areas affected by operations	0	ha

- Prior to awarding of EPs and SCs, the MGB and the DOE, respectively, already exclude protected areas under the National Integrated Protected Areas System of the DENR.

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The company is committed to strictly comply with environmental laws and policies and promote environmental awareness to the community should the company start the exploration and development of new projects within the Philippines.	All Stakeholders	The company will secure the required permits from the DENR, DOE and the MGB to cover all of its future exploration activities.
What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
There is always a risk of disturbing the local ecosystem in the area during exploration, development and production activities.	All Stakeholders	The company will strictly abide with environmental laws and policies. Future exploration, development and production activities should be accomplished with minimum or no detrimental effects to the environment.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Exercising care in decreasing negative environmental impact can minimize incurred operational costs. Repurposing facilities for use by the community can	All Stakeholders	Maximize the life of structures used in exploration, development and production activities by repurposing then for use by the community.

¹⁷ International Union for Conservation of Nature

maximize the life of the asset.		
---------------------------------	--	--

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	0	Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	0	Tonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	No available data	Tonnes

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The company uses air-conditioning (AC) systems that release chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HFCs) which are GHGs that trap heat and cause depletion of the ozone layer.	Employees and nearby communities	The company regulates the use of its AC systems to lessen its power consumption. Out of two (2) AC systems pre-installed in the office, only one (1) is regularly in operation during business hours.
What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
Some employees were required to live in the office building to minimize catching COVID-19 and other infections. This resulted in an increase in air emissions from increased A/C use following the onset of the pandemic. HFCs represent only a small portion of the total GHG emissions. However, they trap heat in the atmosphere as much as CO ₂ when they are released in the environment.	Employees and nearby communities	Routine check and maintenance are implemented to ensure the efficiency of the AC systems.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Regular maintenance and minimal use of the AC units result in savings that can be allocated to other company expenses.	Employees and nearby communities	The company practices these basic energy conservation measures. While they presently have a minimal effect on the environment, the effort will be beneficial to the community and the environment in

		the long term.
--	--	----------------

Air pollutants

Disclosure	Quantity	Units
NO _x	0	Kg
SO _x	0	Kg
Persistent organic pollutants (POPs)	0	Kg
Volatile organic compounds (VOCs)	0	Kg
Hazardous air pollutants (HAPs)	0	Kg
Particulate matter (PM)	0	Kg

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e. primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> <p>Not Applicable</p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> <p>Not Applicable</p>	<p><i>What policies commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> <p>Not Applicable</p>
What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p> <p>Not Applicable</p>	<p>Not Applicable</p>	<p>Not Applicable</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify the opportunity/ies related to material topic of the organization</i></p> <p>Not Applicable</p>	<p>Not Applicable</p>	<p>Not Applicable</p>

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	45	Kg

Reusable	5	Kg
Recyclable	No available data	Kg
Composted	No available data	Kg
Incinerated	0	Kg
Residuals/Landfilled	No available data	Kg

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Proper solid waste management is implemented in the office to prevent contamination of the environment and reduce the carbon foot print of the company.	Employees, Local community	Waste segregation is practiced in the office. Biodegradable wastes are separated from non-biodegradables, recyclables and reusables. Purchase of goods in single-use plastics containers are discouraged to keep the volume of waste down. The use of eco bags is encouraged.
What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
Some employees who take public transportation to work were required to live in the office building to minimize catching COVID-19 and other infections. This resulted in an increase in solid waste following the onset of the pandemic. The office building has a centralized garbage collection system so waste materials intended for composting may end up in the landfill.	Employees, Local community	Employees were asked to use reusable containers for their food items. Food scraps are separated for composting purposes.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Reusable and recyclable wastes may be repurposed to extend the life of the materials and save on cost.	Employees, Local community	Scratch papers comprise most of our reusable waste. The backs of these are re-used saving on cost of paper. Recyclables are collected and sold as scrap in material recovery facilities.

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	0	Kg

Total weight of hazardous waste transported	0	Kg
---	---	----

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Identify the impact and where it occurs (i.e. primary business operations and/or supply chain)</i> <i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i>	<i>(e.g. employees, community, suppliers, government, vulnerable groups)\</i>	<i>What policies commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i>
Not Applicable	Not Applicable	Not Applicable
What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>		
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i>		
Not Applicable	Not Applicable	Not Applicable

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	0 *	Cubic meters
Percent of wastewater recycled	0	%

- Water use at the Atok-Big Wedge Co., Inc. headquarters is limited to the common area toilets only.

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Identify the impact and where it occurs (i.e. primary business operations and/or supply chain)</i>	<i>(e.g. employees, community, suppliers, government, vulnerable groups)</i>	<i>What policies commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and</i>

<i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i>		<i>initiatives do you have to manage the material topic?</i>
Not Applicable	Not Applicable	Not Applicable
What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>		
Not Applicable	Not Applicable	Not Applicable
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i>		
Not Applicable	Not Applicable	Not Applicable

ENVIRONMENTAL COMPLIANCE

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0.00	Php
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the Impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The company is committed to strictly comply with environmental laws and policies should the company start the exploration, development and production of new projects within the Philippines.	All Stakeholders	The company will secure the required permits from the DENR, DOE and the MGB to cover all of its future exploration activities.

What are the Risk/s Identified	Which stakeholders are affected?	Management Approach
Non-compliance with environmental laws and regulations can lead to the imposition of penalties and fines and the possible cancellation of permits.	Company, Employees	Environmental laws and policies should be adhered to in all stages of exploration, development and production of new projects within the Philippines.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Compliance with environmental laws and regulations saves the company unnecessary expenses and builds trust and goodwill with the DENR, DOE, the MGB, the local authorities and the community.	All Stakeholders	Environmental laws and policies should be adhered to in all stages of exploration, development and production of new projects within the Philippines.

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ¹⁸	4	
a. Number of female employees	3	#
b. Number of male employees	1	#
Attrition rate ¹⁹	0	Rate
Ratio of lowest paid employee against minimum wage	1.46:1	Ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	50 %	100 %
PhilHealth	Y	100 %	100 %
Pag-IBIG	Y	50 %	100 %
Parental leaves	Y	0 %	0 %
Vacation leaves	Y	100 %	100 %
Sick leaves	Y	100 %	100 %
Medical benefits (aside from PhilHealth)	Y	100 %	100 %
Housing assistance (aside from Pag-IBIG)	N	0 %	0 %
Retirement fund (aside from SSS)	N	0 %	0 %
Further education support	N	0 %	0 %
Company stock options	N	0 %	0 %
Telecommuting	Y	100 %	0 %
Flexible-working hours	Y	100 %	100 %
(Others)			

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
The company provides the government mandated benefits to all its employees. It ensures timely	The company considers its people its greatest asset. Apart from government mandated benefits,

¹⁸ Employees are individual who are in an employment relationship with the organization, according to national law or its application (GRI Standards 2016 Glossary)

¹⁹ Attrition are (no. of new hires – no. of turnover) (average of total no. of employee of previous year and total no. of employees of current year)

remittance of employees' monthly contributions/premiums and provides assistance in facilitating and processing applications to avail of these benefits.	employees are provided with additional benefit packages and a wide range of learning and development opportunities to help them achieve their full potential.
What are the Risk/s Identified	Management Approach
Delays in providing government-mandated benefits are violations of the law and will subject the company to liabilities.	Remittances and benefit applications are prepared in good time to ensure timely payments and submissions to government institutions.
What are the Opportunity/ies identified?	Management Approach
Benefits that might be advantageous to both employees and the company presently being explored.	Telecommuting, a benefit intended to increase an employee's productivity by minimizing their travel time, is being tested for positions that can perform their work from home. Moreover. It allowed the Company to adhere to pandemic minimum health standards during the quarantine to avoid COVID-19 infections.

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	15	Hours
b. Male employees	12	Hours
Average training hours provided to employees		
a. Female employee	15	Hours/employee
b. Male employee	8	Hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
Employees are a company's greatest asset and continuous training and development should be implemented to improve their competencies.	The company announces its training programs to employees in advance and encourages them to adjust their work schedules in order to attend these.
What are the Risk/s Identified	Management Approach
Employees tend to miss out on scheduled trainings due to work.	Make completion of training and development programs a key performance indicator in the company's performance appraisal system.
What are the Opportunity/ies identified?	Management Approach
Many inexpensive local and online training	Encourage employees to adjust their work loads

programs relevant to the company's employees are offered throughout the year.	and take turns in attending relevant training programs.
---	---

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	%
Number of consultations conducted with employees concerning employee-related policies	4	#

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
The company has no collective bargaining agreements with any of its employees.	The company creates a working environment conducive to open discussion.
What are the Risk/s Identified	Management Approach
Employees are expected to adhere to the company's rules and regulations in the conduct of their duties on the basis of value and integrity.	Management maintains a harmonious professional relationship with the staff. They oversee and guide their direct reports from time to time in the conduct of their duties.
What are the Opportunity/ies identified?	Management Approach
The company can engage its employees in setting individual goals from which their performance can be evaluated.	The company institutionalized an annual performance management system in which measurable key performance indicators are jointly set by an employee and his superior. Performance indicators are regularly discussed and measured and rated at the end of the year.

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	75.0	%
% of male workers in the workforce	25.0	%
Number of employees from indigenous communities and/or vulnerable sector*	0	#

**Vulnerable sector includes elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
Management is committed to respecting people's differences and creating an inclusive workplace. It does not tolerate any kind of harassment, prejudice and discrimination.	Management is required to ensure that the working environment is free from any form of harassment, prejudice and discrimination.
What are the Risk/s Identified	Management Approach
The company at times has limited qualified applicants to open positions.	Management recognizes that people bring with them different skill sets and will continue to provide equal career opportunities in the work place.
What are the Opportunity/ies identified?	Management Approach
Diversity creates goodwill within the community and within the industry.	Management will encourage greater female participation and look for mentoring opportunities for its junior employees to gain valuable insights into the company and the industry as a whole.

Workplace Conditions, Labor Standards, and Human RightsOccupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	5,932	Man-Hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work-related ill-health	0	#
No. of safety drills	2	#

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
The company consistently fosters a safe working environment and implements employee health and safety measures and training programs that protect people from occupational hazards.	The company complies with all relevant occupational health and safety laws and regulations.
What are the Risk/s Identified	Management Approach
Failure to manage workplace safety would negatively impact employee health and productivity.	The company enforces occupational health and safety protocols for the benefit of its employees.
What are the Opportunity/ies identified?	Management Approach
By properly managing and implementing health and safety trainings, employees can handle their jobs safely for the benefit of the organization and all stakeholders.	The company will continue to provide the necessary equipment, training and resources to enable employees to work safely.

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	The Company observes the labor standards stated in the labor code.
Child labor	Y	The Company observes the labor standards stated in the labor code.
Human Rights	Y	The Company observes the labor standards stated

		in the labor code.
--	--	--------------------

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
<i>Identify the impact and where it occurs (i.e. primary business operations and/or supply chain)</i> The company follows the principle of fairness and openness in its recruitment process. The Company employs people who choose to work and the Company does not use forced labor. Also, Atok does not use child labor or employ people below the minimum employment age.	<i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i> The company's hiring process and policies disallow the hiring of child labor or forced labor.
What are the Risk/s Identified	Management Approach
<i>Identify risk/s related to material topic of the organization</i> Contractors and subcontractors may violate labor laws and basic human rights	A violation of the labor code perpetrated by contractors and subcontractors will be a ground for disqualification in future contracts in addition to the penalties set forth under the law.
What are the Opportunity/ies identified?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i> The Company aims to be up-to-date with current Labor Laws and Human Rights policies which protect both the stakeholders and the Company	A violation of the labor code perpetrated by contractors and subcontractors will be a ground for disqualification in future contracts in addition to the penalties set forth under the law.

Supply Chain Management

Do you have a supplier accreditation policy? If, yes, please attached the policy or link to the policy:

None

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance	N	
Forced labor	N	
Child labor	N	
Human Rights	N	

Bribery and corruption	Y	
------------------------	---	--

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
The company's relationships with suppliers, contractors, consultants and advisers are based on lawful, efficient, and fair practices. All bidders are given equal opportunity to compete and their bids are evaluated fairly and in a transparent manner	Employees are directed to be vigilant and report any violation of the labor code for rectification and for future reference. Companies found violating the labor standards will no longer be eligible to bid for contracts.
What are the Risk/s Identified	Management Approach
Atok has no reported violation on supply management during the year	The Company includes in its contracts with suppliers its policy to always observe labor standards set by law. Suppliers who violate are penalized and will no longer be eligible to bid for future contracts.
What are the Opportunity/ies identified?	Management Approach
Responsible supply chain management can generate value to the Company. It improves relationship with suppliers, creates trust, provide security for investors and can create new market opportunities.	Atok shall continuously uphold the highest professional standards in its dealings with suppliers.

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects, this has to be business operations)	Location	Vulnerable groups (If applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigation measures (If negative) or enhancement measures (If positive)
None because the company is not yet operating an actual mine	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _____

Certificates	Quantity	Units
FPIC process is still undergoing		#
CP secured		#

What are the Risk/s Identified	Management Approach
None yet because the company is not yet operating an actual mine	Not applicable because the company is not yet operating an actual mine.
What are the Opportunity/ies identified?	Management Approach
None yet because the company is not yet operating an actual mine	Not applicable because the company is not yet operating an actual mine.

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	No available data.	N

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
The company upholds fair and transparent dealings with its customers. All transactions and business relationships with customers are covered by contracts that comply with the country's existing laws and regulations	The company will continuously review, update and improve its policy with its customers.
What are the Risk/s Identified	Management Approach
Due to space constraints, only one customer can be physically attended to at any given time to adhere to pandemic minimum health standards.	The company moved to an office space that allows our representative to physically attend to more of its customers at any given time.
What are the Opportunity/ies identified?	Management Approach
The company will determine the level of	A Customer Satisfaction Survey to determine and

satisfaction of its stakeholders and customers once Atok is fully operational and the customer base of ABSTC has grown.	improve actual performance/service rendered and quality of its operations will be conducted once Atok is fully operational and the customer base of ABSTC has grown.
---	--

Health and Safety

Disclosure	Quantity	Units
No. of substantial complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged with government agencies for them to act upon.*

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
Employee and customer health and safety remain a priority of the company.	The Company will continuously review, update and improve its policy with its customers. Both customers and employees are required to wear face masks, face shields and are screened to prevent COVID-19 related and other infections in the workplace.
What are the Risk/s Identified	Management Approach
High-risk customers to COVID-19 infections would sometimes visit the office. The elderly and PWD customers needed to use a flight of stairs in the past in order to conduct business at the office.	The Company encourages inquiries to be done over the phone or online to minimize the exposure of its high-risk customers to COVID-19. The company moved to an office space more accessible to the elderly and PWDs.
What are the Opportunity/ies identified?	Management Approach
The company will determine the level of satisfaction of its stakeholders and customers once Atok is fully operational and the customer base of ABSTC has grown.	A Customer Satisfaction Survey to determine and improve actual performance/service rendered and quality of its operations will be conducted once Atok is fully operational and the customer base of ABSTC has grown. On-line means to do such should be explored.

Marketing and labeling

Disclosure	Quantity	Units
No. of substantial complaints on marketing and labelling*	0	#
No. of complaints addressed	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the Impact	Management Approach
The marketing and labelling efforts of the company are limited to the maintenance of its website which caters to its stakeholders, clients and future investors.	The company regularly updates and improves its website.
What are the Risk/s Identified	Management Approach
A breach in website security is possible compromising the accessibility and accuracy of the information on the website.	The company ensures that all data uploaded on the website are secure, accurate and up to date.
What are the Opportunity/ies identified?	Management Approach
Our stakeholders, clients and future investors are technologically savvy and use the internet extensively in gathering information.	The company should harness the potential of digital media in its marketing and labelling efforts.

Customer privacy

Disclosure	Quantity	Units
No. of substantial complaints on customer privacy*	0	#
No. of complaints addressed	0	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
The company respects every stakeholder's right to privacy and commits to protect all personal data.	The company strictly complies with Republic Act No. 10173 or the Data Privacy Act of 2012 and implements its own control on data security.
What are the Risk/s Identified	Management Approach
The company has no control over information that has been shared externally.	Disclosures of stakeholders' personal data are limited only to what is required by law or to comply with legal or regulatory requirements.

What are the Opportunity/ies identified?	Management Approach
Adherence to customer privacy can build customer trust and goodwill.	The company complies with the Data Privacy Act to strengthen the integrity and security of its electronic database and records.

Data Security

Disclosure	Quantity	Units
No. data breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact	Management Approach
<p>The company has an updated and effective security software to protect its data and to provide real-time visibility of any threat activities in order to stop a breach before it happens.</p>	<p>The company takes precautions and educates its employees from sharing any sensitive and confidential information.</p> <p>Preventive security measures like data back-up, data recovery and the use of a firewall are in place.</p>
What are the Risk/s Identified	Management Approach
<p>Information breach can lead to the loss of confidential data.</p>	<p>The company/person involved should be immediately notified in the event of any breach in the use of their sensitive data.</p> <p>Anti-virus and cyber security software are continuously upgraded for data security.</p>
What are the Opportunity/ies identified?	Management Approach
<p>Having a strong data security in place can result to financial savings for and avoidance of any reputational damage to the company</p>	<p>The company ensures continuous update of its data security programs.</p>

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Social Value/Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Precious metal exploration	Economic growth	Environmental damage associated with field operations	Strict compliance with the laws as well as the policies in place by the company to sustain its operations in the most efficient manner.
Stock Transfer Agency Services	Economic growth	None	None

**None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*