2021 INTERIM REPORT

APOLLO GLOBAL CAPITAL, INC. AND ITS SUBSIDIARY

Unaudited Interim Condensed Consolidated Financial Statements
As at June 30, 2021 (Unaudited) and
December 31, 2020 (Audited),
and for the six-months periods ended
June 30, 2021 and 2020 (Unaudited)

COVER SHEET
for
UNAUDITED FINANCIAL STATEMENTS

SEC Registration Number

	A	1	9	9	8	0	6	8	6	5

Group Name

APOLLO GLOBAL INC. AND ITS SUBSIDIARY

Principal Office (*No./Street/Barangay/City/Town/Province*)

UNIT 504 GALLERIA CORPORATE CENTER, EDSA CORNER ORTIGAS AVENUE, BRGY. UGONG NORTE, QUEZON CITY

Form Type	Department Requiring the Report	Secondary License Type, If Applicable
17-Q		N/A

COMPANY INFORMATION

Group's E-mail Address	Group's Telephone Number/s	Mobile Number
N/A	(632) 532-8654	N/A

No. of Stockholders	Annual Meeting (Month/Day)	Fiscal Year (Month/Day)
799	Last Friday of June	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	E-mail Address	Telephone Number/s	Mobile Number
Kristina Joyce Caro-Gangan	main@picozolaw.com	(632) 532-8654	N/A

Contact Person's Address

Unit 504 Galleria Corporate Center, Edsa Corner Ortigas Avenue, Brgy. Ugong Norte, Quezon City

Note 1 : In case of death, resignation or cessation of office of the Officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

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 of Notice of Deficiencies shall not excuse the Corporation from liability for its deficiencies.

APOLLO GLOBAL CAPITAL, INC. AND ITS SUBSIDIARY
UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As at and for the six-months ended June 30, 2021

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SECURITIES AND EXCHANGE COMISSION

SEC FORM 17-Q

QUARTERLY REPORT

Pursuant to Section 17 of the Securities Regulation Code
And SRC Rule 17(2)(b) thereunder

1. For the fiscal year ended **June 30, 2021**

2. SEC Identification Number **A199806865**

3. BIR Tax Identification No. **005-301-677**

4. Exact name of issuer as specified in its charter **APOLLO GLOBAL CAPITAL, INC.** (formerly: **YEHEY! CORPORATION**)

5. **Metro Manila, Philippines**
Province, Country or other jurisdiction of incorporation or organization

6. (SEC Use Only)
Industry Classification Code:

7. **Unit 504 Galleria Corporate Center, Edsa cor. Ortigas Avenue, Brgy. Ugong Norte, Quezon City 1100** Address of principal office Postal code

8. **+63 (02) 532-8654**
Issuer's telephone number, including area code

9. **N/A**
Former name, former address, and former fiscal year if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Section 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Stock, ₱0.01 par value	**280,336,349,297**

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

Yes [✓] No [ ]

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)?

Yes [✓] No [ ]

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

Yes [✓] No [ ]

PART I – FINANCIAL INFORMATION

I. Financial Statements

The accompanying interim financial report of Apollo Global Capital, Inc. (formerly: Yehey! Corporation) ("the Company" or "APL") which comprise the Company's interim condensed consolidated statements of financial position as of June 30, 2021 and December 31, 2020 and the interim condensed consolidated statements of comprehensive income, interim condensed consolidated statements of changes in equity and interim condensed consolidated statements of cash flows for the six-months period ending June 30, 2021 and 2020 are filed as part of this SEC Form 17-Q.

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

Results of Operations (June 30, 2021 vs. June 30, 2020)

	For the six-months ended June 30,				Horizontal Analysis		Vertical Analysis	
		2021 (unaudited)		2020 (unaudited)	Inc (Dec)	%age	2021	2020
Revenues	₱	**–**	₱	**–**	–	n/a	n/a	n/a
Direct costs		**–**		**–**	–	n/a	n/a	n/a
Gross profit	₱	**–**	₱	–	–	n/a	n/a	n/a
General & administrative costs		**(16,244,312)**		(5,354,475)	10,889,837	203.38%	n/a	n/a
Operating loss	₱	**(16,244,312)**	₱	(5,354,475)	10,889,837	203.38%	n/a	n/a
Interest income		**533**		2,738	(2,205)	-80.53%	n/a	n/a
Finance costs		**(917,767)**		(579,083)	338,684	58.49%	n/a	n/a
Loss before tax benefit	₱	**(17,161,546)**	₱	(5,930,820)	11,230,726	189.36%	n/a	n/a
Income tax benefit		**–**		–	–	n/a	n/a	n/a
Loss for the period	₱	**(17,161,546)**	₱	(5,930,820)	11,230,726	189.36%	n/a	n/a

General & Administrative Costs

The Group's general & administrative costs has increased by 203.38% which was primarily due to the increase in filing & processing fees, professional fees, mobilization costs, salaries & employee benefits, taxes & licenses and transportation & travel (84.75% of the total general and administrative cost).

Loss Before Tax

The increase in loss before tax was primarily due to higher general and administrative cost incurred during the period.

Financial Condition (June 30, 2021 vs. December 31, 2020)

	As at				Horizontal Analysis		Vertical Analysis	
		June 30, 2021 (unaudited)		December 31, 2020 (audited)	Inc (Dec)	%age	2021	2020
ASSETS								
Current assets:								
Cash	₱	**1,068,552**	₱	909,057	159,495	17.55%	0.03%	0.03%
Other current assets		**4,590,256**		3,942,010	648,246	16.44%	0.14%	0.12%
Total current assets	₱	**5,658,808**	₱	4,851,067	807,741	16.65%	0.17%	0.14%
Non-current assets:								
Mine properties	₱	**3,292,209,365**	₱	3,288,748,565	3,460,800	0.11%	98.15%	98.25%
Advances to contractors		**47,617,251**		44,888,691	2,728,560	6.08%	1.42%	1.34%
Property & equipment – net		**2,151,612**		2,427,268	(275,656)	-11.36%	0.06%	0.07%
Website costs		**360,777**		360,777	–	0.00%	0.01%	0.01%
Deferred tax asset		**6,154,303**		6,154,303	–	0.00%	0.18%	0.18%
Total non-current assets	₱	**3,348,493,308**	₱	3,342,579,604	5,913,704	0.18%	99.82%	99.86%
TOTAL ASSETS	₱	**3,354,152,116**	₱	3,347,430,671	6,721,445	0.20%	100.00%	100.00%

LIABILITIES & EQUITY								
Current liabilities:								
Accounts and other payables	₱	**44,176,949**	₱	41,576,576	2,600,373	6.25%	1.32%	1.24%

Interest-bearing loans & borrowings		**–**		13,950,000	(13,950,000)	-100.00%	0.00%	0.42%
Advances from contractors		**55,151,000**		55,151,000	–	0.00%	1.64%	1.65%
Total current liabilities	₱	**99,327,949**	₱	110,677,576	(11,349,627)	-10.25%	2.96%	3.31%
Non-current liabilities:								
Interest-bearing loans & borrowings	₱	**58,800,000**	₱	23,600,000	35,200,000	149.15%	1.75%	0.71%
Advances from related parties		**247,957,203**		247,924,585	32,618	0.01%	7.39%	7.41%
Total non-current liabilities	₱	**306,757,203**	₱	271,524,585	35,232,618	12.98%	9.14%	8.12%
Total liabilities	₱	**406,085,152**	₱	382,202,161	23,882,991	6.25%	12.11%	11.43%
Equity:								
Share capital	₱	**2,803,363,493**	₱	2,803,363,493	–	0.00%	83.58%	83.75%
Share premium		**17,586,961**		17,586,961	–	0.00%	0.52%	0.53%
Accumulated losses		**(117,641,972)**		(101,328,091)	16,313,881	16.10%	-3.51%	-3.03%
Total equity attributable to Parent Company's shareholders	₱	**2,703,308,482**	₱	2,719,622,363	(16,313,881)	-0.60%	80.60%	81.25%
Non-controlling interest		**244,758,482**		245,606,147	(847,665)	-0.35%	7.30%	7.34%
Total equity	₱	**2,948,066,964**	₱	2,965,228,510	(17,161,546)	-0.58%	87.89%	88.58%
TOTAL LIABILITIES & EQUITY	₱	**3,354,152,116**	₱	3,347,430,671	6,721,445	0.20%	100.00%	100.00%

Total Assets

Total assets of the Group increased by ₱6.7-million (0.20%), which was primarily caused by the increase in mine properties and advances to contractors.

Other Current Assets

Other current assets increased by ₱648,246 (16.44%). The increase in other current assets is primarily caused by the increase in input taxes and prepaid expenses.

Mine Properties

Mine properties include mineral assets, patent and mining costs. The increase in mine properties is primarily caused by additional mining costs.

Property & Equipment – net

Property & equipment includes office furniture & equipment and motor vehicle.

The decrease in property and equipment is primarily due to depreciation charges.

Total Liabilities

Total liabilities have increased by ₱23.9-million (6.25%), which was primarily caused by increase in interest bearing loans & borrowings amounting to ₱35.2-million.

Interest-Bearing Loans & Borrowings

Loans & borrowings pertains to loans from Cagayan Blue Ocean Offshore Aquamarine Services Corporation (CBO).

In 2021, the Group availed of additional loan from CBO amounting to ₱35.2-million.

Total equity

The decrease in total equity of ₱17.2-million in this account pertains to the net loss that the Group incurred in its operations.

SIGNATURES

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

Issuer: **APOLLO GLOBAL CAPITAL, INC.**

By:

Signature	**Vittorio Paulo P. Lim**	Signature	**Christopher Go**
Title	*President*	Title	*Chief Finance Officer*
Date	August 11, 2021	Date	August 11, 2021

APOLLO GLOBAL CAPITAL, INC. AND ITS SUBSIDIARY

Interim Condensed Consolidated Statements of Financial Position

	Note/s		As at June 30, 2021 (Unaudited)		December 31, 2020 (Audited)
A S S E T S					
Current assets:					
Cash	5	₱	**1,068,552**	₱	909,057
Other current assets	6		**4,590,256**		3,942,010
Total current assets		₱	**5,658,808**	₱	4,851,067
Non-current assets:					
Mine properties	7	₱	**3,292,209,365**	₱	3,288,748,565
Advances to contractors	8		**47,617,251**		44,888,691
Property & equipment – net	9		**2,151,612**		2,427,268
Website costs	10		**360,777**		360,777
Deferred tax asset	17		**6,154,303**		6,154,303
Total non-current assets		₱	**3,348,493,308**	₱	3,342,579,604
TOTAL ASSETS		₱	**3,354,152,116**	₱	3,347,430,671
L I A B I L I T I E S & E Q U I T Y					
Current liabilities:					
Accounts & other payables	11	₱	**44,176,949**	₱	41,576,576
Interest-bearing loans & borrowings – current portion	12		**–**		13,950,000
Advances from contractors	20		**55,151,000**		55,151,000
Total current liabilities		₱	**99,327,949**	₱	110,677,576
Non-current liabilities:					
Interest-bearing loans & borrowings – net of current portion	12	₱	**58,800,000**	₱	23,600,000
Advances from related parties	19		**247,957,203**		247,924,585
Total non-current liabilities		₱	**306,757,203**	₱	271,524,585
Total liabilities		₱	**406,085,152**	₱	382,202,161
Equity:					
Share capital	13	₱	**2,803,363,493**	₱	2,803,363,493
Share premium			**17,586,961**		17,586,961
Accumulated losses			**(117,641,972)**		(101,328,091)
Total equity attributable to Parent Company's shareholders		₱	**2,703,308,482**	₱	2,719,622,363
Non-controlling interest			**244,758,482**		245,606,147
Total equity		₱	**2,948,066,964**	₱	2,965,228,510
TOTAL LIABILITIES & EQUITY		₱	**3,354,152,116**	₱	3,347,430,671

See accompanying notes to the interim condensed consolidated financial statements.

APOLLO GLOBAL CAPITAL, INC. AND ITS SUBSIDIARY
Interim Condensed Consolidated Statements of Comprehensive Income

		For the three-months period ended June 30,		For the six-months period ended June 30,	
	Note/s	**2021 (Unaudited)**	2020 (Unaudited)	**2021 (Unaudited)**	2020 (Unaudited)
Revenues		₱ **–**	₱ –	₱ **–**	₱ –
Direct costs		**–**	–	**–**	–
Gross profit		₱ **–**	₱ –	₱ **–**	₱ –
General & administrative costs	14	**(7,579,519)**	(1,237,233)	**(16,244,312)**	(5,354,475)
Operating loss		₱ **(7,579,519)**	₱ (1,237,233)	₱ **(16,244,312)**	₱ (5,354,475)
Finance income	16	**285**	221	**533**	2,738
Finance costs	16	**(499,475)**	(319,333)	**(917,767)**	(579,083)
Loss before tax benefit		₱ **(8,078,709)**	₱ (1,556,345)	₱ **(17,161,546)**	₱ (5,930,820)
Income tax benefit	17	**–**	–	**–**	–
Loss for the period		₱ **(8,078,709)**	₱ (1,556,345)	₱ **(17,161,546)**	₱ (5,930,820)
Loss attributable to:					
Parent Company		₱ **(7,551,240)**	₱ (1,415,587)	₱ **(16,313,881)**	₱ (5,518,863)
Non-controlling interests		**(527,469)**	(140,758)	**(847,665)**	(411,957)
		₱ **(8,078,709)**	₱ (1,556,345)	₱ **(17,161,546)**	₱ (5,930,820)
Basic loss per share	18	₱ **(0.00003)**	₱ (0.00001)	₱ **(0.00006)**	₱ (0.00002)

See accompanying notes to the interim condensed consolidated financial statements.

APOLLO GLOBAL CAPITAL, INC. AND ITS SUBSIDIARY CONSOLIDATED

Interim Condensed Consolidated Statements of Changes in Equity

For the six-months period ended June 30, 2021 and 2020

	Equity Attributable to Parent Company's Shareholders					
	Share Capital	**Share premium**	**Accumulated Losses**	**Total**	**Non-controlling Interests**	**Total Equity**
Note/s	13					
Balances at January 1, 2021	**₱ 2,803,363,493**	**₱ 17,586,961**	**₱ (101,328,091)**	**₱ 2,719,622,363**	**₱ 245,606,147**	**₱ 2,965,228,510**
Loss for the period	**–**	**–**	**(16,313,881)**	**(16,313,881)**	**(847,665)**	**(17,161,546)**
Balances at June 30, 2021 (Unaudited)	**₱ 2,803,363,493**	**₱ 17,586,961**	**₱ (117,641,972)**	**₱ 2,703,308,482**	**₱ 244,758,482**	**₱ 2,948,066,964**
Balances at January 1, 2020	₱ 2,803,363,493	₱ 17,586,961	₱ (86,178,648)	₱ 2,734,771,806	₱ 246,743,724	₱ 2,981,515,530
Loss for the period	–	–	(5,518,863)	(5,518,863)	(411,957)	(5,930,820)
Balances at June 30, 2020 (Unaudited)	₱ 2,803,363,493	₱ 17,586,961	₱ (91,697,511)	₱ 2,729,252,943	₱ 246,331,767	₱ 2,975,584,710

See accompanying notes to the interim condensed consolidated financial statements.

APOLLO GLOBAL CAPITAL, INC. AND ITS SUBSIDIARY CONSOLIDATED

Interim Condensed Consolidated Statements of Cash Flows

	Note/s		For the six-month period ended June 30, 2021 (unaudited)		2020 (unaudited)
Cash flows from operating activities:					
Loss for the year before tax		₱	**(17,161,546)**	₱	(5,930,820)
Adjustments for:					
Finance income	16		**(533)**		(2,738)
Finance costs	16		**917,767**		579,083
Depreciation	9		**421,688**		225,182
Operating loss before working capital adjustments		₱	**(15,822,624)**	₱	(5,129,293)
Working capital adjustments:					
Increase in:					
Other current assets			**(648,246)**		(4,553)
Other non-current assets			**–**		(30,000)
Increase (Decrease) in:					
Accounts & other payables			**1,682,606**		(130,238)
Net cash used in operations		₱	**(14,788,264)**	₱	(5,294,084)
Interest received	16		**533**		2,738
Net cash used in operating activities		₱	**(14,787,731)**	₱	(5,291,346)
Cash flows from investing activities:					
Acquisition of property & equipment	9	₱	**(146,032)**	₱	(70,483)
Additional mine costs	7		**(3,460,800)**		(3,053,606)
Advances to contractors	8		**(2,728,560)**		(1,015,915)
Net cash used in investing activities		₱	**(6,335,392)**	₱	(4,140,004)
Cash flows from financing activities:					
Proceeds from loans & borrowings	12	₱	**35,200,000**	₱	9,500,000
Repayment of loans & borrowings	12		**(13,950,000)**		–
Advances from related parties	19		**32,618**		–
Interest paid			**–**		–
Net cash provided by financing activities		₱	**21,282,618**	₱	9,500,000
Net increase in cash		₱	**159,495**	₱	68,650
Cash at beginning of year	5		**909,057**		1,284,390
Cash at end of period	5	₱	**1,068,552**	₱	1,353,040

See accompanying notes to the consolidated financial statements.

APOLLO GLOBAL CAPITAL, INC. AND ITS SUBSIDIARY

Notes to the Interim Condensed Consolidated Financial Statements

As at June 30, 2021 and December 31, 2020
For the each of the six-months ended June 30, 2021 and 2020

1. Reporting Entity

1.1 Formation and Operations

APOLLO GLOBAL CAPITAL, INC. (the Parent Company or APL), formerly known as YEHEY! CORPORATION, was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) per SEC Registration No. A199806865 on June 10, 1998. Prior to the approval of the change in the corporate name and its business on October 7, 2016, the Parent Company's primary purpose is to engage in the business of internal online-related products relating to database search engine, such as, but not limited to, conceptualizing, designing, illustrating, processing and editing websites; to engage in other pre-production and postproduction work on websites in the internet; and to sell and market said products in the form of advertising of finished products in the domestic or export market.

On August 9, 2012, the SEC approved the Parent Company's application to list 27.8-million common shares by way of introduction in the second board of the Philippine Stock Exchange (PSE) at an initial price of ₱1 per share. On October 18, 2012, the Parent Company was listed in the PSE.

As of December 31, 2014, the Parent Company is 66.95% owned by Vantage Equities, Inc. (Vantage), a company also incorporated in the Philippines and listed in the PSE. On July 7, 2015, Vantage entered into a Sale and Purchase Agreement (SPA), with third party buyers for the sale of the entire shares owned by Vantage. Under the SPA, the closing of the transfer of the Sale Shares is subject to and conditioned upon the conduct and completion of a mandatory tender offer as well as the payment of the purchase price, which conditions have been complied with on October 15, 2015. Accordingly, on October 15, 2015, the Parent Company ceased as a majority owned subsidiary of Vantage when Vantage sold its shares at P290 million to a group of individual shareholders.

Pursuant to the SPA, the Board of Directors (BOD) of the Parent Company approved on October 30, 2015 the assignment of the noncash assets and liabilities of the Parent Company to Vantage. Total amount assigned is a net liability of ₱2,693,438. Such amount was recognized as miscellaneous income in the Parent Company's 2015 separate statement of comprehensive income.

On December 7, 2015, the BOD approved the change of the Parent Company's name from YEHEY! CORPORATION to APOLLO GLOBAL CAPITAL, INC. The amendment was filed with the SEC and was approved on October 7, 2016. Along with the change in the corporate name, the Parent Company's primary purpose was likewise amended to that of a holding company which is to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, guarantee, exchange, develop, or otherwise dispose of real or personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences, of indebtedness, and other securities, or obligations of any corporation or corporations, associations, domestic or foreign, and to possess and exercise in respect thereof all the rights, powers and privileges of ownership.

The current registered office address of the Parent Company is located at Unit 504, Galleria Corporate Center, EDSA corner Ortigas Ave., Brgy. Ugong Norte, Quezon City.

1.2 Subsidiary Information

JDVC Resources Corporation (referred to as “JDVC” or the “Subsidiary”) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on November 24, 2011 under SEC Reg. No. CS201120574. The Subsidiary is primarily established to carry on business of exploring, prospecting and operating mines and quarries of all kind of ores and minerals, metallic and non-metallic, such as nickel, iron, gold, copper, silver, lead, manganese, chromite, molybdenite pyrite, sulfur, silica, kaolin clay, zeolite, perlite, diatomaceous earth, diorite, basalt, gabbro, coal, hydrocarbons, oil, natural gas, etc.; filing, negotiating or applying for mineral agreements, operating agreements, mining leases, timber and water rights and surface rights, and of milling concentrating, processing, refining and smelting such minerals, and manufacturing, utilizing, trading, marketing or selling such mineral products, likewise acquiring and operating all kinds of equipment, vehicles, instruments, machineries, chemicals supplies and other logistic structures that may be vital and necessary for the furtherance of the foregoing purposes, with financial and technical assistance agreement with the government.

The Subsidiary’s principal and administrative office address is at 2nd Floor L&L Bldg., Panay Ave. Cor. EDSA, Quezon City.

The Parent Company and its subsidiary are collectively known herein as the “Group”. On February 17, 2017, the Parent Company and JDVC’s shareholders entered into a Deed of Exchange of Shares where in the former had issued 247,396,071,520 shares (par value of ₱0.01 per share) in exchange for 4,133,740 shares (par value of ₱100 per share) at an exchange price of ₱598.48 of the latter. The deed covering the transaction was approved by SEC on October 9, 2017. As a result of this transaction, the Parent Company now owns 82.67% of JDVC.

In December 2019, the Parent Company purchased additional 389,530 shares of JDVC from its existing stockholders for ₱267.6 million resulting to an increase in ownership of JDVC to 90.47%.

1.3 Approval on the Release of the Interim Condensed Consolidated Financial Statements

The accompanying interim condensed consolidated financial statements of the Group as at June 30, 2021 (including comparative amounts as at December 31, 2020) were approved and authorized for issue by the Board of Directors on August 11, 2021.

2. Basis of Preparation

2.1 Statement of Compliance

The accompanying interim condensed consolidated financial statements of the Group have been prepared in compliance with Philippine Accounting Standard 34, *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at and for the year ended December 31, 2020, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs).

2.2 Going Concern Assumption

The preparation of the accompanying interim condensed consolidated financial statements of the Group is based on the premise that the Group operates on a going concern basis, which contemplate the realization of assets and settlement of liabilities in the normal course of business. The management does not intend to liquidate.

2.3 Functional and Presentation Currency

The interim condensed consolidated financial statements are presented in Philippine Peso (₱), the Group's functional and presentation currency.
Items included in the interim condensed consolidated financial statements of the Group are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

2.4 Basis of Consolidation

The Group's interim condensed consolidated financial statements comprise the accounts of the Group and its subsidiary, after the elimination of intercompany transactions. All intercompany assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities under the Group, are eliminated in full on consolidation. Unrealized profits and losses from intercompany transactions that are recognized in assets are also eliminated in full. Intercompany losses that indicate impairment are recognized in the interim condensed consolidated financial statements.

The financial statements of APL are prepared for the same reporting period as that of the Group, using consistent accounting policies.

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3. Changes in Accounting Policies

The Group's accounting policies are consistent with those of the previous financial year, except for the adoption of the following new accounting pronouncements:

3.1 New and Amended Standards Effective in 2021

The following new standards and amendments to existing standards are mandatory for the first time for the financial year beginning January 1, 2021:

a.) Amendments to PFRS 9, PFRS 7, PFRS 4 and PFRS 16, *Interest Rate Benchmark Reform – Phase 2.*
The amendments provide the following temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR):

- Practical expedient for changes in the basis for determining the contractual cash flows as a result of IBOR reform
- Relief from discontinuing hedging relationships
- Relief from the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

The Company shall also disclose information about:

- The nature and extent of risks to which the entity is exposed arising from financial instruments subject to IBOR reform, and how the entity manages those risks; and
- Their progress in completing the transition to alternative benchmark rates, and how the entity is managing that transition

The adoption of these amendments do not have a significant impact on the consolidated financial statements of the Group.

3.2 New and Amended Standards Effective Subsequent to 2021 but not Early Adopted

Pronouncements issued but not yet effective as at December 31, 2020 are listed below. The Group intends to adopt the following pronouncements when they become effective. Except as otherwise indicated, the Group does not expect the adoption of these new pronouncements to have a significant impact on the interim condensed consolidated financial statements.

<u>Effective beginning on or after January 1, 2022</u>

a.) PAS 16 (amendments), *Property, Plant and Equipment – Proceeds before Intended Use.*
The amendments prohibit the Company from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Instead, the Company recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual reporting period beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the earliest period presented when the Company first apply the amendment.

These amendments are not expected to have a material impact on the financial statements of the Company.

b.) PFRS 3 (amendments), *Reference to the Conceptual Framework.*
The amendments are intended to replace a reference to the Framework for the Preparation and the Presentation of Financial Statements, issued in 1989, with reference to the conceptual framework for Financial Reporting issued in March 2018 without significantly changing its requirements. An exception to the recognition principle if PFRS 3 was added to avoid the issue of potential "day 2" gains or losses arising from liabilities and contingent liabilities that would be in the scope of PAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the existing guidance in PFRS 3 for contingent assets that would not be affected was clarified by replacing the reference to the Framework for the Preparation and Presentation of the Financial Statements. The amendments are effective for annual reporting period beginning on or after January 1, 2022 and apply prospectively.

The Company is currently assessing the impact of adopting these amendments.

c.) PAS 37 (amendments), *Onerous Contracts – Cost of Fulfilling a Contract.*
The amendments specify which costs an entity needs to include in assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach." The costs that relate directly to a contract to provide goods or services include both incremental cost and allocation of costs directly related to contract activities. General and administrative costs that do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning January 1, 2022. The Company will apply the amendments to contracts which it has not yet fulfilled its obligations at the beginning of the annual reporting period in which it first applies its amendments.

The Company is currently assessing the impact of these amendments.

<u>Effective beginning on or after January 1, 2023</u>

a.) PFRS 17, *Insurance Contracts*.
PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

PFRS 17 is effective for reporting periods beginning on or after January 1, 2023, with comparative figures required. Early application is permitted.

The standard is not applicable to the Group since it has no activities that are predominantly connected with insurance contracts or issue insurance contracts.

b.) PAS 1 (amendments), *Classification of Liabilities as Current or Non-current.*
The amendments to PAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any assets, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of "settlements" to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.

The management of the Group is still evaluating the impact of these new amendments.

<u>Deferred</u>

a.) PFRS 10 (amendments), *Consolidated Financial Statements*, and PAS 28 (amendments), *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*.
The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

The management of the Group is still evaluating the impact of these new amendments.

3.3 Annual Improvements to PFRSs

The annual improvements to PFRSs contain non-urgent but necessary amendments to PFRSs.

<u>2018 to 2020 Cycle</u>

The Annual Improvements to PFRSs (2018-2020 Cycle) are effective for annual periods beginning on or after January 1, 2022, with retrospective application.

a.) PFRS 1, *Subsidiary as a First-Time Adopter*.

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in PFRS 1: D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to PFRSs, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in PFRS 1: D16 (a).

The amendment is effective for annual periods beginning on or after January 1, 2022, with early application permitted.

d.) PFRS 9 (amendments), *Financial Instruments – Fees in the '10 per cent' Test for the Derecognition of the Financial Liabilities.*
The amendment clarifies the fee that an entity includes when assessing whether the terms of a new or modified financial liability are 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 lender on the other's behalf. An entity applies the amendment to the financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 with earlier adoption permitted.

The Group will apply the amendments 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 amendment. The amendments are not expected to have a material impact on the financial statements.

e.) PAS 41 (amendments), *Agriculture – Taxation in Fair Value Measurements.*
The amendments removed the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022 with earlier adoption permitted.

The amendments are not expected to have a material impact on the financial statements.

4. Significant Accounting Estimates and Judgments

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and the amounts reported in the financial statements and accompanying notes. The judgments, estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the interim condensed consolidated financial statements. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the interim condensed consolidated financial statements as they become reasonably determinable.

There were no changes in estimates of amounts reported in prior financial periods that have a material effect in the current interim period.

5. Cash

This account consists of:

		June 30, 2021 (Unaudited)		December 31, 2020 (Audited)
Petty cash fund	₱	**20,000**	₱	20,000
Cash in banks		**1,048,552**		889,057
Total	₱	**1,068,552**	₱	909,057

Cash in banks are demand deposit accounts in various universal banks that generally earn interest at their respective daily bank deposit rates. Petty cash fund is used for payment of minor disbursements and is maintained under an imprest fund system.

Interest income earned from cash in banks amounted to ₱533 and ₱2,738 for the period ended June 30, 2021 and 2020 (see Note 16).

6. Other Current Assets

This account consists of:

		June 30, 2021 (Unaudited)		December 31, 2020 (Audited)
Input taxes	₱	**2,995,724**	₱	2,582,729
Prior year's excess credit		**1,237,509**		1,237,509
Prepaid expenses		**157,077**		–
Advances to employees		**78,174**		–
Security deposits		**71,772**		71,772
Construction bonds		**50,000**		50,000
Total	₱	**4,590,256**	₱	3,942,010

Input taxes are 12% value added tax (VAT) on purchase of goods or services in the course of its trade or business. At the end of the year, input tax can be applied against output tax.

Prior year's excess credits represent excess tax payments and credits over tax liabilities of the immediately preceding taxable period which may be refunded, converted to tax credit certificates, or carried over to the next taxable year.

Prepaid expenses consist of prepaid rent, professional fees and stock transfer office fee to be applied on the next period.

Advances to employees are non-interest bearing receivable cash advances which are deductible from salaries.

Security deposits represent noninterest-bearing deposits made on lease and are usually refundable after the end of contract or services less any charges.

Construction bonds represent noninterest-bearing bonds that are used to secure against damages during construction and will be refundable after the end of construction, net of any charges.

7. Mine Properties

The carrying amount of this account is as follows:

		Mineral Assets		Patent		Mining Costs		Total
Cost:								
As at December 31, 2019	₱	2,500,098,00	₱	89,000,000	₱	694,956,557	₱	3,284,054,56

	8			5
Additions	–	–	4,694,000	4,694,000
As at December 31, 2020	₱ 2,500,098,008	₱ 89,000,000	₱ 699,650,557	₱ 3,288,748,565
Additions	–	–	3,460,800	3,460,800
As at June 30, 2021	**₱ 2,500,098,008**	**₱ 89,000,000**	**₱ 703,111,357**	**₱ 3,292,209,365**

JDVC was granted by the Department of Environment and Natural Resources (DENR) a Mineral Production Sharing Agreement (MPSA) No. 338-2010-II-OMR covering an area of approximately 14,240 hectares (ha) located within the municipal waters of the Municipalities of Sanchez Mira, Pamplona, Abulug, Ballesteros, Appari, Buguey, and Gonzaga, in the Province of Cagayan for a term of 25 years and renewable for another 25 years.
Originally, the MPSA was granted to Bo Go Resources Mining Corporation (Bo Go) on June 9, 2010. On November 25, 2011, Bo Go executed a deed of assignment (DOA) to transfer to JDVC all its rights and interest in and title to the MPSA. On January 27, 2012, the DOA was approved by the Mines and Geosciences Bureau (MGB) and was duly approved a year after, January 25, 2013, by the DENR.

The DOA, as approved, carries with it the responsibility to implement the Exploration Work Program and the Environmental Work Program which were eventually taken over by JDVC, as well as the submission of the regular Technical/Progress Reports. The Environmental Impact Assessment likewise was completed and presented to the various municipalities and stakeholders in the Province of Cagayan. After the approval of the DENR, pursuant to the agreement, the Subsidiary proceeded to do the Technical or Progress Report Exploration, Environmental Work Programs and Exploration Work Programs.

JDVC, through a DOA, transferred all rights and interest in the 2,400-ha portion of the MPSA No. 338-2010-II-OMR to Sanlorenzo Mines, Inc. The DOA was approved by the DENR on May 20, 2016. The remaining 11,840-ha was redenominated as MPSA No. 338-2010-II-OMR-Amended A.

On March 14, 2017, 3,161.84-ha of the remaining 11,840 ha were relinquished by JDVC in favor of the Government.

On August 9, 2017, the Subsidiary executed DOAs, which was registered with the DENR on April 2, 2018, assigning portion of MPSA No. 338-2010-II-OMR-Amended A as follows:

	Area Assigned (in ha)
Catagayan Iron Sand Mining Resources Corp.	3,182.78
Cagayan Ore Metal Mining Exploration Corp.	2,149.85
Catagayan Mining Resources (Phils.) Inc.	1,448.51

These companies were all incorporated in the Philippines and registered with the SEC on July 1, 2016, primarily to engage on the business of exploring, prospecting and operating mines and quarries of all kind of ores and minerals.

On August 6, 2019, the Declaration of Mining Project Feasibility filed by JDVC last May 25, 2016, was approved by the DENR authorizing JDVC to proceed with the Development and Operating Periods of MPSA No. 338-2010-II-OMR-Amended A covering the 4,999.24-ha, including extraction and commercial disposition of magnetite iron sand and other associated minerals at the offshore areas in the Province of Cagayan.

As at December 31, 2020, the remaining 1,897.02-ha contract area of the MPSA No. 338-2010-IIOMR- Amended A which has been fully explored since 2017.

<u>Mineral Assets</u>
Mineral assets pertain to the acquisition cost of the rights over mineral resources represented by the excess of the fair value of shares issued by the Parent Company over the carrying amount of the net assets of JDVC when the Parent acquired 82.67% ownership JDVC.

<u>Patent</u>

Patent was acquired by Agbiag Mining Development Corporation (Agbiag) for the siphon vessel used in the exploration of the mining in Cagayan. Agbiag allows the Group to use its research, study and intellectual property right on a non-exclusive basis, for the duly researched and studied siphon vessel for the offshore magnetite iron sand commercial extraction through a MOA signed on September 2014.

The Group has an outstanding liability to Agbiag amounting to ₱37.6-million as at reporting dates (see Note 11).

Mining Costs

Mining costs include the costs incurred in the exploration and evaluation phase of mining. Such costs consist of expenditures related to the exploration of the mines, drilling activities, and other direct costs related to the exploration activities. The recovery of these costs depends upon the success of the exploration activities, the future development of the corresponding mining properties and the extraction of mineral products as these properties shift into commercial operations.

The exploration activities for the mine area of the Group were completed in 2017, hence, the related exploration and evaluation assets were transferred to mine under development. Mine under development are not subject to depletion until the production has commenced.

Estimated Units of Production of Mine

The computation of ore resource was done by a competent individual geologist using the Polygon Method. The ore resource has a total of 606.458 million tons. With the computed indicated resource, the mine life for the current ore resource is 87.7 years for the siphoning and utilizing magnetic separation on-board of the vessels. With the yearly production schedule of 6.91 million tons of raw sand with an average magnetite fraction of 19.79% and 95% material recovery, the operations can yield an iron concentrate of 1.30 million metric tons per annum production, using 3 units of production lines of platform.

8. Advances to Contractors

This account consists of:

		June 30, 2021 (Unaudited)		December 31, 2020 (Audited)
Agbiag Mining Development Corporation	₱	**44,861,751**	₱	43,851,191
Offshore Mining Chamber of the Philippines		**2,745,000**		1,000,000
CBO		**500**		–
Others		**10,000**		37,500
Total	₱	**47,617,251**	₱	44,888,691

This account pertains to the unsecured and noninterest-bearing cash advances extended by the Subsidiary to its suppliers for the payment on permits, overhead fees, exploration services, depth and sounding survey studies and other technical expenses incurred by the latter.

These advances have no fixed repayment date and are not expected to be collected within one year from the financial reporting date, hence, classified as non-current asset in the interim condensed consolidated statements of financial position.

9. Property & Equipment

The roll-forward analyses of this account follows:

		Office furniture & equipment		Motor vehicle		Total
Carrying amounts at December 31, 2019	₱	219,714	₱	1,010,460	₱	1,230,174
Additions		255,483		–		255,483
Depreciation for the period		(56,772)		(168,410)		(225,182)

Carrying amounts at June 30, 2020	₱	418,425	₱	842,050	₱	1,260,475
Additions		1,521,665		–		1,521,665
Depreciation for the period		(186,462)		(168,410)		(354,872)
Carrying amounts at December 31, 2020	₱	1,753,628	₱	673,640	₱	2,427,268
Additions		146,032		–		146,032
Depreciation for the period		(254,214)		(167,474)		(421,688)
Carrying amounts at June 30, 2021	₱	**1,645,446**	₱	**506,166**	₱	**2,151,612**

Reconciliation of the carrying amounts are as follows:

	June 30, 2021		
	Office furniture & equipment	**Motor vehicle**	**Total**
Cost	**₱ 2,372,177**	**₱ 1,347,280**	**₱ 3,719,457**
Accumulated depreciation	**(726,731)**	**(841,114)**	**(1,567,845)**
Carrying amount	**₱ 1,645,446**	**₱ 506,166**	**₱ 2,151,612**

	December 31, 2020		
	Office furniture & equipment	Motor vehicle	Total
Cost	₱ 2,226,145	₱ 1,347,280	₱ 3,573,425
Accumulated depreciation	(472,517)	(673,640)	(1,146,157)
Carrying amount	₱ 1,753,628	₱ 673,640	₱ 2,427,268

As at June 30, 2021 and December 31, 2020, there is no indication of any impairment loss on the carrying amount of property & equipment since its recoverable amount exceeds its carrying amount.

The amount of depreciation is charged to general & administrative expenses (see Note 14).

None of the properties were pledged or mortgaged as collateral to secure any of the Group's loans.

10. Website Costs

Movement of this account is as follows:

	Website Costs
Cost:	
As at December 31, 2019	₱ 360,777
Additions	–
As at December 31, 2020	₱ 360,777
Additions	–
As at June 30, 2021	**₱ 360,777**

The Group's website is determined to have an indefinite useful life because considering all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate cash inflows for the Group. Website cost is not amortized but is tested for impairment annually either individually or at the cash generating unit level.

As at June 30, 2021 and December 31, 2020, there is no indication of any impairment loss on the carrying amount of intangible assets since its recoverable amount exceeds its carrying amount.

11. Accounts & Other Payables

This account consists of:

	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
Payable to a contractor	**₱ 37,633,782**	₱ 37,500,000
Accrued expenses	**560,841**	646,998
Accrued interest payable	**2,368,467**	1,450,700
Accounts payable	**2,311,170**	745,143
Deferred output tax	**818,036**	818,036
Statutory payables	**484,653**	415,699
Total	**₱ 44,176,949**	₱ 41,576,576

Payable to a contractor pertains to the outstanding liability to Agbiag for the patent for the siphon vessel used in its exploration activities (see Note 8).

Accrued expenses include professional fees and various unpaid expenses. Accrued interest payable pertains to interest expense on loans not yet been paid. Accounts payable consist of unsecured liabilities to suppliers and contractors. Statutory payables consist of withholding taxes and other payables to government agencies.

These liabilities are unsecured and noninterest-bearing and are normally settled within the next 12 months.

12. Interest-bearing Loans & Borrowings

This account consists of unsecured, long-term loan obtained by the Group from Cagayan Blue Ocean Offshore Acquamarine Services Corporation (CBO). Details are as follows:

	Principal				Balance			
	Jun. 30, 2021	Dec. 31, 2020	Interest Rate	Maturity		**June 30, 2021 (Unaudited)**		December 31, 2020 (Audited)
Loans from CBO, interest and principal payable upon maturity, unsecured	₱58.8-million	₱37.6-million	Fixed at 6%	2 years	₱	**58,800,000**	₱	37,550,000
Total					₱	**58,800,000**	₱	37,550,000

Loan Facility from CBO

In October 2019, JDVC obtained credit from CBO to finance the Group's working capital requirements. The loans were drawn from a series of promissory notes in various dates, and as of reporting date, ₱58,800,000 (2020: ₱37,550,000) have been availed from CBO.

The loans bear a fixed annual interest of 6% per annum and have maturities of 2 years, with the option to convert the loan and accrued interest into common shares of JDVC, at the option of CBO, at any time during the loan period with an exercise price of ₱100 per share. The Group is not required to maintain certain financial ratios or capital requirements with regards to this loan.

The Group expects and has the discretion to refinance the loans for another 2 years after the reporting period. The interest-bearing loans & borrowings are classified as non-current liabilities in the interim condensed consolidated statements of financial position.

Total borrowing costs attributable to these loans amounted to ₱917,767 and ₱579,083 in June 30, 2021 and 2020, respectively, and were charged as Interest expense in the statements of comprehensive income (see Note 16).

Convertible Loan Agreement

On February 20, 2019, the BOD authorized the Parent Company to enter into a convertible loan agreement with a third party amounting to ₱50.0 million. The loan bears an interest of 5% per annum and will mature on February 20, 2021. The principal and interest are convertible to shares at ₱0.01 per share any time until the 10th day before the maturity date at the option of the third party (see Note 13).

13. Equity

Share capital consists of:

	No. of Shares		Amount			
	2021	2020		**June 30, 2021 (Unaudited)**		December 31, 2020 (Audited)
Authorized – ₱0.01 par value	**600,000,000,000**	600,000,000,000	₱	**6,000,000,000**	₱	6,000,000,000
Subscribed, Issued, paid-up & outstanding:						
Balance at beginning of year	**280,336,349,297**	280,336,349,297	₱	**2,803,363,493**	₱	2,803,363,493
Balance at end of year	**280,336,349,297**	280,336,349,297	₱	**2,803,363,493**	₱	2,803,363,493

Ordinary share capital	**280,336,349,297**	280,336,349,297	**₱**	**2,803,363,493**	₱	2,803,363,493

Below is the track record of issuance of the Parent Company's securities:

Date of Approval	Nature	Authorized	No. of Shares Issue/Offer	Price
October 18, 2012	Listing of shares	100,000,000,000	27,800,000,000	₱1.00
October 9, 2017	Share swap	600,000,000,000	247,396,071,520	0.01
September 11, 2019	Loan conversion	600,000,000,000	5,140,277,777	0.01

As at June 30, 2021, the Parent Company has a total of 799 shareholders.

Increase in Authorized Capital Stock of APL
On October 9, 2017, the SEC approved the increase in the capital stock of the Parent Company from ₱1.0-billion divided into 100.0-billion shares to ₱6.0-billion divided into 600.0-billion shares both with a par value of ₱0.01.

Convertible Loan Agreement
On September 11, 2019, the third party exercised the right to convert the loan (see Note 12) at ₱0.01 per share. On the same date, the BOD approved the conversion of the principal amount, including the interest accrued up to date of the conversion amounting to ₱1,402,778. The Parent Company issued additional 5,140,277,777 shares as a result of the conversion. Consequently, such valuation was duly approved by the SEC on December 7, 2020.

14. General & Administrative Costs

The following shows the breakdown of general & administrative costs:

	Note/s		**June 30, 2021 (Unaudited)**		June 30, 2020 (Unaudited)
Filing & processing fees		**₱**	**5,504,370**	₱	–
Professional fees			**4,067,232**		822,900
Salaries & employee benefits	15		**1,907,996**		919,351
Mobilization costs			**1,677,790**		919,366
Representation			**388,184**		428,388
Annual listing fee			**355,840**		292,320
Rent	20		**335,387**		143,545
Taxes & licenses			**305,147**		–
Transportation & travel			**304,939**		–
Office supplies			**152,859**		138,068
Meetings & conference			**87,818**		–
Repairs & maintenance			**82,441**		633,503
Association dues			**65,770**		106,642
Allowances			**50,000**		–
Utilities expenses			**39,986**		–
Medical expenses			**2,510**		–
Depreciation	9		**421,688**		225,182
Miscellaneous			**494,355**		725,210
Total		**₱**	**16,244,312**	₱	5,354,475

15. Employee Benefits

Expenses recognized for salaries & employee benefits are presented below:

		June 30, 2021 (Unaudited)		June 30, 2020 (Unaudited)
Short-term employee benefits	₱	**1,657,996**	₱	919,351
Other employee benefits		**250,000**		–
Total	₱	**1,907,996**	₱	919,351

The amount of salaries & employee benefits is charged to general & administrative costs (see Note 14). Other employee benefits include bereavement given to spouse of its key management personnel (see Note 19).

Post-employment Defined Benefits

The Group has not established a formal retirement plan. As at the end of each reporting dates, the Group employs less than ten (10) employees, most who do not qualify or meet the minimum requirements of Retirement Pay Law. Therefore, as of reporting dates, no accrued retirement benefit obligation has been recognized. However, it is required to pay qualified employees retirement benefits under Republic Act No. 7641 once it meets the requirements of said law.

16. Finance and Other Income (Losses)

Finance income consist of interest earned from local bank deposits which are net of 20% final tax, to wit:

		June 30, 2021 (Unaudited)		June 30, 2020 (Unaudited)
Interest income from local bank deposits	₱	**533**	₱	2,738
Total	₱	**533**	₱	2,738

Finance costs consist of:

		June 30, 2021 (Unaudited)		June 30, 2020 (Unaudited)
Interest expense on loans	₱	**917,767**	₱	579,083
Total	₱	**917,767**	₱	579,083

17. Income Tax

The schedule of deferred tax assets is as follows:

	Consolidated statements of financial position				Consolidated statements of comprehensive income			
		June 30, 2021 (Unaudited)		December 31, 2020 (Audited)		**June 30, 2021 (Unaudited)**		March 31, 2020 (Unaudited)
Deferred tax assets:								
NOLCO	₱	**6,154,303**	₱	6,154,303	₱	**–**	₱	–
Deferred tax assets – net	₱	**6,154,303**	₱	6,154,303				
Deferred tax benefit – net					₱	**–**	₱	–

The NOLCO of the business for any taxable year shall be carried over as a deduction from gross income for the next three (3) consecutive years. In effect, therefore, a tax benefit arises on the year the losses were incurred. Such tax benefits are reported in the statement of financial position as deferred tax assets and are reported at current statutory tax rates.

In 2020, the Government recognized the effect of COVID 19 pandemic to various Companies, therefore, enacted the Bayanihan to Recover as One Act (RA No. 11494). Under Section 4 (bbbb) of the Act, it allows qualified businesses which incurred net operating loss for taxable years 2020 and 2021 to carry over the same as a deduction from its gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

The Group believes that it is not reasonably probable that future taxable profit against which the benefit of the Parent Company's deferred tax assets can be utilized.

Details of recognized and unrecognized deferred tax assets of the Group are as follows:

		June 30, 2021 (Unaudited)		December 31, 2020 (Audited)
Unrecognized:				
NOLCO	₱	–	₱	4,732,786
Excess MCIT		–		90,892
	₱	–	₱	4,823,678
Recognized:				
NOLCO	₱	**6,154,303**	₱	6,154,303

The amount of NOLCO and the applicable years these are valid and deductible from the taxable income are shown below:

Taxable Years	Valid Until		Original Amount		Used/Expired		Balance		Tax Effect
2020	2025*	₱	13,850,107	₱	–	₱	13,850,107	₱	4,155,032
2019	2022		11,250,350		–		11,250,350		3,375,105
2018	2021		11,189,840		–		11,189,840		3,356,952
Total		₱	36,290,297	₱	–	₱	36,290,297	₱	10,887,089

The amounts of MCIT and the applicable years these are valid and deductible from the taxable income are shown below:

Taxable Years	Valid Until		Original Amount		Used/Expired		Balance
2019	2022	₱	45,446	₱	–	₱	45,446
2018	2021		45,446		–		45,446
Total		₱	90,892	₱	–	₱	90,892

18. Basic Loss Per Share

Basic loss per share is computed as follows:

		June 30, 2021 (Unaudited)		June 30, 2020 (Unaudited)
Loss attributable to ordinary shares	₱	**(16,313,881)**	₱	(5,518,863)
Divide by: Weighted average number of ordinary shares outstanding		**280,336,349,297**		280,336,349,297
Basic loss per share	₱	**(0.00006)**	₱	(0.00002)

There are no potential dilutive ordinary shares outstanding as at June 30, 2021 and 2020.

19. Related Party Transactions

The Group, in the normal course of business, has significant transactions with related parties pertaining to granting and availing of advances for operational expenses.

The details of the Group's related parties are summarized as follows:

Name of related party	Relationship	Country of Incorporation
Cagayan Ore Metal Mining Exploration Corporation	With common shareholders	Philippines
Catagayan Iron Sand Resources Corporation	With common shareholders	Philippines
Catagayan Mining Resources (Phils.) Inc.	With common shareholders	Philippines
Individuals	Key management personnel/shareholders	-

The Group, in the normal course of business, has entered into transactions with related parties principally consisting of:

				Amount of Transaction		Outstanding Balances	
Related Party	Nature	Terms & Conditions	Note/s	June 30, 2021 (Unaudited)	June 30, 2020 (Unaudited)	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
Shareholders	Advances for working capital	Long-term, unsecured, non-interest bearing, repayable in cash		₱ 32,618	₱ –	₱ (247,957,203)	₱ (247,924,585)
Key Management personnel	Advances for working capital purposes	Long-term, unsecured, non-interest bearing, repayable in cash		–	–	39,139,870	(39,139,870)

Advances from Related Parties
The Group often borrows funds to finance its operating expenses and working capital. The advances are unsecured, noninterest-bearing and are repayable in cash beyond 12 months. The Group has the discretion to refinance these advances on a long-term basis and expects to repay the advances when the Group has sustained sufficient financial capacity.

Loan from Related Party
In 2017, the Group obtained an unsecured loan from a related party amounting to ₱10.0-million for working capital purposes. The loans bear a monthly interest rate of 0.5%. The loan was paid in full in 2019.

Deposits for Future Stock Subscription
This account refers to amounts collected from existing shareholders of JDVC to issue a specified number of common shares of JDVC at par value. Deposits for future subscription were classified as non-current liabilities since the BOD of JDVC expects to apply for an increase in capital stock beyond 12 months from reporting date and it has not yet complied with all the criteria pursuant to SEC Financial Reporting Bulletin 006 to be classified as equity. The deposits are refundable upon the request of the shareholder if they wish to withdraw.

On July 6, 2020, the Board of Directors of JDVC has discarded its plans to apply for an increase in capital stock and have subsequently decided to reclassify the Deposits for Future Stock Subscription to Advances from Shareholders account. The advances are intended for temporary financing to JDVC and shall be noninterest-bearing, unsecured and repayable in cash within 2 years, with option to extend terms. These advances are classified as non-current liabilities since the Group expects to repay these advances when the Group can generate positive cash flows from operations.

Key Management Personnel Compensation
Since the Group is in its pre-operating stages, there are no key management personnel compensation recognized in June 30, 2021 and 2020, since the officers offer their services pro-bono to save on operating costs except for bereavement given to spouse of one of its key management personnel (see Note 15). Likewise, the Group does not provide post-employment benefit plans or equity-based compensation benefits to any of its directors or executive officers.

20. Commitments and Other Matters

Lease Agreements

In 2016, the Subsidiary entered into a cancellable lease agreement with a third party for its office space. The lease term is for a period of 2 years commencing on December 15, 2016 until January 14, 2018. The contract was renewed thereafter but was terminated by the Subsidiary on February 15, 2018. Upon termination of the lease agreement, the Parent Company allows its Subsidiary to use its office space at no cost to the Subsidiary.

In 2019, the Parent Company entered into a lease agreement with a third party for its office space with a term of one year and is renewable upon mutual agreement of both parties. The lease agreement has an escalation clause of 5% per annum. Security deposit amounted to ₱71,772 as at June 30, 2021 and December 31, 2020 (see Note 6).

Total expense from these leases amounted to ₱335,387 in June 30, 2021 and ₱143,546 in June 30, 2020 which was charged to general & administrative costs (see Note 14).

Royalty Agreement

On September 1, 2014, JDVC entered in a royalty agreement with Agbiag, operating contractor of JDVC, by granting the latter irrecoverable and unrestricted rights and privileges to occupy, explore, develop, utilize, mine and undertake other activities to the mining area owned by JDVC in various areas in Cagayan Province, for twenty-five (25) years or the life of JDVC's MPSA No. 338-2010-II-OMR with the Republic of the Philippines, whichever is shorter.

All costs and expenses related to the MPSA, commercial extraction permits and such other fees required by the Government and for non-government related expenses which include community expenses and social compliances among others shall be for the account of Agbiag.

As consideration, the Subsidiary shall earn royalty income of US$4.00 up to US$9.33 per ton or specifically in accordance with the proposed slide-up-slide-down net share remittance, or size percent (6%) of cost, whichever is shorter. In 2017, JDVC received advance royalty payment from Agbiag amounting to ₱51.5-million.

In a special meeting held by the BOD on October 10, 2018, it was resolved that due to the failure of both parties to conduct full extraction operation during the year, the advance royalty payment will be returned by JDVC to Agbiag. This was presented under "Advances from contractor" account in the consolidated statements of financial position.

Social and Environmental Responsibilities

In 2019, JDVC secured the regulatory approvals of the following programs:

Social Development Management Program (SDMP)

SDMP are five (5) year programs of the projects identified and approved for implementation, in consultation with the host communities. The Group provides an annual budget for SDMP projects that focus on health, education, livelihood, public utilities and socio-cultural preservation. The implementation of the program is monitored by the MGB.

Environmental Protection and Enhancement Program (EPEP)

EPEP refers to comprehensive and strategic environmental management plan to achieve the environmental management objectives, criteria and commitments including protection and rehabilitation of the affected environment. This program is monitored by the Multipartite Monitoring Team, a group headed by a representative from the Regional MGB and representatives of Local Government Units (LGU), other government agencies, non-government organizations, the church sector and the representatives of the Group.

JDVC will start implementing these programs upon commencement of operations.

COVID-19 Impact

In early 2020, the world was adversely affected by the COVID-19, which was declared a pandemic by the World Health Organization. In a move to contain the COVID-19 outbreak, the

Philippine government initiated directives to impose stringent social distancing measures and guidelines under different levels of community quarantine depending on the assessment of the situation in the numerous parts of the country. These measures have cause disruptions to businesses and economic activities, and its impact on businesses continue to evolve.

The Group's timeline for the commencement of the offshore mining operations were delayed due to limited movement within the region and the start of monsoon season.

The overall impact of the COVID-19 pandemic is still uncertain and dependent on the progression of the virus and on actions taken by the government, businesses and individuals, which could result in different outcomes. Considering the evolving nature of the outbreak, the Group will continue to monitor the situation in subsequent periods.

21. Fair Value Measurement

Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of certain assets and liabilities presented in the interim condensed consolidated statements of financial position are as follows:

		June 30, 2021		December 31, 2020	
	Note/s	**Carrying amounts**	**Fair Values**	Carrying amounts	Fair Values
Financial assets:					
At amortized cost:					
Cash	5	₱ **1,068,552**	₱ **1,068,552**	₱ 909,057	₱ 909,057
Security deposits	6	**71,772**	**71,772**	71,772	71,772
Construction bond	6	**50,000**	**50,000**	50,000	50,000
Total		₱ **1,190,324**	₱ **1,190,324**	₱ 1,030,829	₱ 1,030,829
Financial liabilities:					
At amortized cost:					
Accounts & other payables	11	₱ **42,874,260**	₱ **42,874,260**	₱ 40,342,841	₱ 40,342,841
Loans & borrowings	12	**58,800,000**	**58,800,000**	37,550,000	37,550,000
Advances from related parties	19	**247,957,203**	**247,957,203**	208,784,715	208,784,715
Total		₱ **349,631,463**	₱ **349,631,463**	₱ 286,677,556	₱ 286,677,556

Fair Value Hierarchy

In accordance with PFRS 13, the fair value of financial assets and financial liabilities on a recurring or non-recurring basis and those financial assets, financial liabilities and non-financial assets not measured at fair value but for which fair value is disclosed with other relevant PFRSs, are categorized into three levels based on the significance of inputs used to measure fair value. The fair value hierarchy has the following levels:

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

The following table summarizes the fair value hierarchy of the Group's financial assets and liabilities, which are measured at fair value or requires disclosure as prescribed by other PFRSs, as at June 30, 2021 and December 31, 2020:

		June 30, 2021			
	Note/s	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:					
At amortized cost:					
Cash	5	₱ **1,068,552**	₱ **–**	₱ **–**	₱ **1,068,552**
Security deposits	6	**–**	**–**	**71,772**	**71,772**
Construction bond	6	**–**	**–**	**50,000**	**50,000**
Total		₱ **1,068,552**	₱ **–**	₱ **121,772**	₱ **1,190,324**
Financial liabilities:					
At amortized cost:					
Accounts & other payables	11	₱ **–**	₱ **–**	₱ **42,874,260**	₱ **42,874,260**
Loans & borrowings	12	**–**	**–**	**58,800,000**	**58,800,000**
Advances from related parties	19	**–**	**–**	**247,957,203**	**247,957,203**
Total		₱ **–**	₱ **–**	₱ **349,631,463**	₱ **349,631,463**

	Note/s	December 31, 2020 Level 1		Level 2		Level 3		Total	
Financial assets:									
At amortized cost:									
Cash	5	₱	909,057	₱	–	₱	–	₱	909,057
Security deposits	6		–		–		71,772		71,772
Construction bond	6		–		–		50,000		50,000
Total		₱	909,057	₱	–	₱	121,772	₱	1,030,829
Financial liabilities:									
At amortized cost:									
Accounts & other payables	11	₱	–	₱	–	₱	40,342,841	₱	40,342,841
Loans & borrowings	12		–		–		37,550,000		37,550,000
Advances from related parties	19		–		–		208,784,715		208,784,715
Total		₱	–	₱	–	₱	286,677,556	₱	286,677,556

As at June 30, 2021 and December 31, 2020, there are no financial assets or financial liabilities measured at fair value. There were no transfers between levels in 2021 and 2020.

Financial Instruments Not Measured at Fair Value for Which Fair Value is Disclosed

For financial assets with fair values included in Level 1, management considers that the carrying amounts of these financial instruments approximate their fair values due to their short-term duration.

The fair values of financial assets and financial liabilities included in Level 3, which are not traded in an active market, are determined based on the expected cash flows of the underlying net asset or liability base of the instrument where the significant inputs required to determine fair value of such instruments are not based on observable market data.

22. Financial Risk Management Policies and Objectives

Introduction

The Group's principal financial instruments comprise of cash and cash equivalents, receivable and payables. The main purpose of these financial instruments is to raise finances for the Group's operations. The risks arising from the use of financial instruments are managed through a process of on-going identification, measurement, and monitoring. This process of risk management is critical to the Group's continuing profitability.

The BOD is ultimately responsible for overall risk management approach, monitoring risk exposures, and approving risk mitigation strategies and policies.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from financial instruments or its fair value will fluctuate because of changes in market interest rates. As at June 30, 2021 and December 31, 2020, the Group does not have any repriceable financial instruments subject to variable interest rates. There are no significant interest rate risk exposures since the interest-bearing loans & borrowings are subject to fixed interest rates and all other financial assets and liabilities are non-interest bearing.

Credit Risk

Credit risk is the risk that the Group will incur a loss because its customers or counter parties failed to discharge their contractual obligations. The Group trades only with recognized and creditworthy third parties. It is the Group's policy that customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis and appropriate credit treatments are executed for overdue accounts. Likewise, other receivable balances are also being monitored and subjected to appropriate actions to manage credit risk.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the interim condensed consolidated statements of financial position (or in the detailed analysis provided in the notes to the interim condensed consolidated financial statements).

As at June 30, 2021 and December 31, 2020, the Group has no financial assets for which credit risk has increased significantly since initial recognition and that are credit-impaired. The table below shows the credit quality of financial assets subject to 12-month ECL:

Credit Risk Exposure
The table below shows the gross maximum exposure to credit risk of the Group as at June 30, 2021 and December 31, 2020, without considering the effects of collaterals and other credit risk mitigation techniques:

	Note/s		**2020**		2019
Cash in banks	5	₱	**1,048,552**	₱	889,057
Security deposits	6		**71,772**		71,772
Construction bond	6		**50,000**		50,000
Total		₱	**1,170,324**	₱	1,010,829

The credit risk for cash is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Cash in banks are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of ₱500,000 per depositor per banking institution.

None of the Group's financial assets are secured by collateral or other credit enhancements, except for cash.

Credit Quality per Class of Financial Assets
The tables below show a comparison of the credit quality of the Group's financial assets as at June 30, 2021 and December 31, 2020:

June 30, 2021 (Unaudited)	**Neither Past Due Nor Impaired**									
		High Grade		**Standard Grade**		**Substandard Grade**		**Past Due But Not Impaired**		**Impaired**		**Total**
Cash in banks	₱	**1,048,552**	₱	**–**	₱	**–**	₱	**–**	₱	**–**	₱	**1,048,552**
Security deposits		**71,772**		**–**		**–**		**–**		**–**		**71,772**
Construction bond		**50,000**		**–**		**–**		**–**		**–**		**50,000**
Total	₱	**1,170,324**	₱	**–**	₱	**–**	₱	**–**	₱	**–**	₱	**1,170,324**

December 31, 2020 (Audited)	Neither Past Due Nor Impaired											
		High Grade		Standard Grade		Substandard Grade		Past Due But Not Impaired		Impaired		Total
Cash in banks	₱	889,057	₱	–	₱	–	₱	–	₱	–	₱	889,057
Security deposits		71,772		–		–		–		–		71,772
Construction bond		50,000		–		–		–		–		50,000
Total	₱	1,010,829	₱	–	₱	–	₱	–	₱	–	₱	1,010,829

The Group evaluates credit quality on the basis of the credit strength of the security and/or counterparty/issuer. High grade financial assets are those which collectability is assured based on past experience. Standard grade financial assets are considered moderately realizable and some accounts which would require some reminder follow-ups to obtain settlement from the counterparty. The Group determines if credit risk have increased significantly when financial assets are more than 30 days past due.

The Group's management considers none of the financial assets to be impaired or past due at the end of each financial reporting period.

Cash in banks. The credit risks for cash in banks are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Security deposits and Construction bond. These pertain to receivables from counterparties which are not expected to default in settling its obligations, hence there is no perceived credit risk.

Liquidity Risk
Liquidity risk refers to the risk that the Group will not be able to meet its financial obligations as these fall due. To limit this risk, the Group closely monitors its cash flows and ensures that credit

facilities are available to meet its obligations as and when these fall due. The Group also has a committed line of credit that it can access to meet liquidity needs.

Maturity Profile of Financial Liabilities

The tables below summarize the maturity profile of the Group's financial liabilities as at June 30, 2021 and December 31, 2020 based on the remaining undiscounted contractual cash flows:

	June 30, 2021			
	Carrying Value	On Demand	Within 1 year	Beyond 1 year
Financial assets:				
At amortized cost:				
Cash	₱ 1,068,552	₱ 1,068,552	₱ –	₱ –
Security deposits	71,772	–	71,772	–
Construction bond	50,000	–	50,000	–
Total	₱ 1,190,324	₱ 1,068,552	₱ 121,772	₱ –
Financial liabilities:				
At amortized cost:				
Accounts & other payables	₱ 42,874,260	₱ 37,633,782	₱ 5,240,478	₱ –
Loans & borrowings	58,800,000	–	–	58,800,000
Advances from related parties	247,957,203	–	–	247,957,203
Total	₱ 349,631,463	₱ 37,633,782	₱ 5,240,478	₱ 306,757,203

	December 31, 2020			
	Carrying Value	On Demand	Within 1 year	Beyond 1 year
Financial assets:				
At amortized cost:				
Cash	₱ 909,057	₱ 909,057	₱ –	₱ –
Security deposits	71,772	–	71,772	–
Construction bond	50,000	–	50,000	–
Total	₱ 1,030,829	₱ 909,057	₱ 121,772	₱ –
Financial liabilities:				
At amortized cost:				
Accounts & other payables	₱ 40,342,841	₱ 37,500,000	₱ 2,842,841	₱ –
Loans & borrowings	37,550,000	–	13,950,000	23,600,000
Advances from related parties	247,924,585	–	–	247,924,585
Total	₱ 325,817,426	₱ 37,500,000	₱ 16,792,841	₱ 271,524,585

23. Capital Management Objectives, Policies, & Procedures

The Group's capital management objectives are:

- To ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.
- To invest the capital in investments that meet the expected return with the commensurate level of risk exposure.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payments to shareholders or issue new shares. The Group considers its equity and loans & borrowings as capital.

The Group monitors its financial leverage using the debt-to-equity which is computed as total liabilities divided by total equity as shown in the table below:

	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
Total liabilities	**₱ 406,085,152**	₱ 382,202,161

Total equity	**₱ 2,948,066,964**	₱ 2,965,228,510
Debt-to-equity ratio	**0.14:1**	0.13:1

The Group is not subject to any externally imposed capital requirements. There were no changes in the
Group 's approach to capital management during the year.

24. Supplemental Disclosure of Cash Flow Information

Changes in Liabilities Arising from Financing Activities

The disclosure requirements enable users of interim condensed consolidated financial statements to evaluate changes in liabilities arising from financing activities of the Group.

The movement of liabilities from financing activities are as follows:

June 30, 2021 (Unaudited)	**January 1, 2021**	**Cash Flows**	**Reclassification**	**Interest Expense**	**June 30, 2021**
Loans & borrowings	**₱ 37,550,000**	**₱ 21,250,000**	**₱ –**	**₱ –**	**₱ 58,800,000**
Advances from related parties	**247,924,585**	**32,618**	**–**	**–**	**247,957,203**
Interest payable	**1,450,700**	**–**	**–**	**917,767**	**2,368,467**
Total liabilities from financing activities	**₱ 286,925,285**	**₱ 21,282,618**	**₱ –**	**₱ 917,767**	**₱ 309,125,670**

December 31, 2020 (Audited)	January 1, 2020	Cash Flows	Reclassification	Interest Expense	December 31, 2020
Loans & borrowings	₱ 13,950,000	₱ 23,600,000	₱ –	₱ –	₱ 37,550,000
Advances from related parties	1,682,983	92,040	246,149,562	–	247,924,585
Deposits for future stock subscriptions	246,149,562	–	(246,149,562)	–	–
Interest payable	174,250	–	–	1,276,450	1,450,700
Total liabilities from financing activities	₱ 261,956,795	₱ 23,692,040	₱ –	₱ 1,276,450	₱ 286,925,285

Non-cash Activities

The Group had no material non-cash investing or financing activity-related transactions for the period ended June 30, 2021.

The Group had no material non-cash investing or financing activity-related transactions for the year ended December 31, 2020, except for the reclassification of deposits for future subscription to advances from related parties (see Note 23).

25. Events After the End of the Reporting Period

There were no events that require adjustments or disclosures between the reporting date and the date of issuance of the unaudited interim condensed consolidated financial statements.

APOLLO GLOBAL CAPITAL, INC. AND ITS SUBSIDIARY

Supplementary Schedules under Annex 68-E

Pursuant to the Revised Securities Regulation Code (SRC) Rule 68
June 30, 2021

Schedule of Financial Soundness Indicators

	June 30, 2021 (Unaudited)	December 31, 2020 (Audited)
Liquidity Ratios:		
Current Ratio		
Current Assets	₱ **5,658,808**	₱ 4,851,067
Current Liabilities	₱ **99,327,949**	₱ 110,677,576
	0.06 : 1	0.04 : 1
Acid Test Ratio		
Liquid Assets	₱ **1,068,552**	₱ 909,057
Current Liabilities	₱ **99,327,949**	₱ 110,677,576
	0.01 : 1	0.01 : 1
Solvency Ratios:		
Debt-to-Equity Ratio		
Total Liabilities	₱ **406,085,152**	₱ 382,202,161
Total Equity	₱ **2,948,066,964**	₱ 2,965,228,510
	0.14 : 1	0.13 : 1
Asset-to-Equity Ratio		
Total Assets	₱ **3,354,152,116**	₱ 3,347,430,671
Total Equity	₱ **2,948,066,964**	₱ 2,965,228,510
	1.14 : 1	1.13 : 1
Profitability Ratios:		
Interest Coverage Ratio		
Earnings Before Interest and Taxes	₱ **N/A**	₱ N/A
Interest Expense	₱ **917,767**	₱ 1,276,450
	N/A	N/A
Return on Assets		
Net Profit	₱ **N/A**	₱ N/A
Total Assets	₱ **3,354,152,116**	₱ 3,347,430,671
	N/A	N/A
Return on Equity		
Net Profit	₱ **N/A**	₱ N/A
Total Equity	₱ **2,948,066,964**	₱ 2,965,228,510
	N/A	N/A
Net Profit Margin		
Net Profit	₱ **N/A**	₱ N/A
Revenues	₱ **N/A**	₱ N/A
	N/A	N/A

APOLLO GLOBAL CAPITAL, INC. AND ITS SUBSIDIARY

Supplementary Schedules under Annex 68-J

Pursuant to the Revised Securities Regulation Code (SRC) Rule 68
June 30, 2021

Schedule A. Financial Assets

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the statements of financial position	Value based on market quotation at end of reporting period	Income received and accrued
Cash	N/A	₱1,068,552	N/A	₱533
Security deposits		71,772		–
Construction bond		50,000		–

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)

Name and designation of debtor	Balance at beginning of period	Additions	Deductions		Current	Non-current	Balance at end of period
			Amounts collected	Amounts written-off			
N/A	–	–	–	–	–	–	1,447,015

Schedule C. Amounts Receivable from Related Parties which are eliminated during Consolidation of Financial Statements

Name and designation of debtor	Balance at beginning of period	Additions	Deductions		Current	Non-current	Balance at end of period
			Amounts collected	Amounts written-off			
JDVC Resources Corporation	9,198,954	N/A	(7,751,939)	–	–	–	1,447,015

Schedule D. Long-Term Debt

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption “Current portion of long-term debt” in related statement of financial position	Amount shown under caption “Long-term debt” in related statement of financial position
Interest - bearing loans & borrowings	–	–	58,800,000

Schedule E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)

Name of related party	Balance at beginning of period	Balance at end of period
Shareholders and Key Management Personnel	247,924,585	247,957,203

Schedule F. Guarantees of Securities of Other Issuers

Name of issuing entity of securities guaranteed by the Group for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
N/A	N/A	N/A	N/A	N/A

Schedule G. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related statement of financial position caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common	600,000,000,000	280,336,349,297	–	–	46,507,293,501	233,829,055,796