

COVER SHEET

SEC Registration Number

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(Company's Full Name)

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

Gaspar R. Andres, Jr.
Contact Person

(632) 8631-5139
Company Telephone Number

1 2
Month
Fiscal Year

3 1
Day

2022 Annual Report - SEC Form 17-A
(With attachment – Audited Financial
Statements 2022 and Sustainability Report)
FORM TYPE

last Wednesday
of May
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc
Section

Amended Articles Number /

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

SEC Number 7443
File Number

VULCAN INDUSTRIAL & MINING CORPORATION

(Company's Full Name)

**6TH FLOOR, QUAD ALPHA CENTRUM BLDG.
125 PIONEER ST., MANDALUYONG CITY**

(Company's Address)

(02) 8511 – 8312

(Telephone Number)

DECEMBER 31, 2022

(Fiscal Year Ending)
(month& day)

SEC FORM 17-A

Form Type

Amendment Designation (if applicable)

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A
ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended December 31, 2022
2. SEC Identification Number 7443 BIR Tax Identification No. 000 - 062 - 736
4. Exact name of registrant as specified in its charter **Vulcan Industrial & Mining Corporation**
5. Philippines
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. Quad Alpha Bldg., Pioneer St., Mandaluyong City
Address of principal office
- 1550
Postal Code
8. (02) 8511 - 8312
Registrant's telephone number, including area code
9. Not applicable
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
Common stock, ₱ 1.00 par value	1,450,000,000

11. Are any or all of these securities listed on the Philippine Stock Exchange.

Yes [X] No []

12. 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 RSA and RSA Rule 11(a)-1 there under 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 [X] No []

- (b) Has been subject to such filing requirements for the past 90 days.

Yes [X] No []

13. Aggregate market value of the voting stock held by non-affiliates of the registrant
₱607.765 million (759,706,217 at P0.80/share as of December 29, 2022. Note: December 30, 2022 is a holiday while December 31, 2022 is not a trading day).

VULCAN INDUSTRIAL & MINING CORPORATION
TABLE OF CONTENTS
SEC FORM 17-A

	<u>Page</u>
 Part I - BUSINESS AND GENERAL INFORMATION	
Item 1. Business	5
Item 2 Properties	8
Item 3 Legal Proceedings	8
Item 4 Submission of Matters to a Vote of Security Holders	8
 Part II - OPERATIONAL AND FINANCIAL INFORMATION	
Item 5 Market for Registrant's Common Equity and Related Stockholder Matters	8
Item 6 Management's Discussion and Analysis or Plan of Operation	10
Item 7 Financial Statements	12
Item 8 Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	12
 Part III - CONTROL AND COMPENSATION INFORMATION	
Item 9 Directors and Executive Officers of the Registrant	13
Item 10 Executive Compensation	15
Item 11 Security Ownership of Certain Beneficial Owners and Management	16
Item 12 Certain Relationships and Related Transactions	18
 Part IV - CORPORATE GOVERNANCE	
Item 13 Corporate Governance	18
 Part V – EXHIBITS AND SCHEDULES	
Item 14 a. Exhibits	18
b. Reports on SEC Form 17-C (Current Report)	
 SIGNATURES	
 INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES	
 INDEX TO EXHIBITS	

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

Vulcan Industrial & Mining Corporation (the Company or VIMC) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 under the name “Vulcan Manufacturing Corporation” and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. On June 15, 1977, the Company amended its articles of incorporation and changed its name to “Vulcan Industrial & Mining Corporation”. The Company’s corporate life was extended for another 50 years on January 13, 2003. The Company registered address in Quad Alpha Centrum Building, 125 Pioneer Street, Mandaluyong City.

The Company is involved in finding, developing and producing oil and gas reserves and other mineral properties. The Company is a participant in several Service Contracts (SCs), Mineral Production Sharing Agreements (MPSAs) and Geophysical Survey and Exploration Contracts (GSECs) entered with the Philippine Government, through the Department of Energy (DOE).

At present, VIMC has no ongoing commercial operations. However, it had always been studying and exploring strategies to generate the most value to its shareholders. Recent changes in the mining climate have prompted VIMC to reconsider its previous decision to exit the mining industry. On a global scale, metal commodity prices have surged, and its outlook continues to be positive. Locally, the moratorium on mining/mineral agreements has been lifted, opening the possibility for new mining projects.

On July 1, 2021, the Company entered into a Memorandum of Agreement (MOA) with the majority stockholders of East Coast Mineral Resources Company Incorporated (ECMRCI) represented by Hilario G. Pagautan and Sofia G. Pagautan (the HGP Group) for the latter’s subscription to up to 5,180,000,000 shares of VIMC arising from an increase in authorized capital stock.

At the shareholders’ meeting held on November 8, 2021, the shareholders approved the said increase of the authorized capital stock of the corporation from 4 Billion Pesos (P4,000,000,000.00) to 12 Billion Pesos, or an increase in the amount of 8 Billion Pesos (P8,000,000,000.00), for subscription by, among others, the group led by Hilario G. Pagautan and Sofia G. Pagautan (hereinafter referred to as “the HGP Group”). The subscription to the increase of capital stock will be paid by the HGP Group through the fold-in of 99.99% ownership of East Coast Mineral Resources Company Inc. (ECMRCI) into the Company, based on an approved value of Php 5.18 billion.

On August 9, 2022, the Company filed with the Securities and Exchange Commission an application for the amendment of its Articles of Incorporation for the (i) change of its corporate name to “East Coast Vulcan Corporation,” (ii) change of number of directors to thirteen, and (iii) change of principal office address to the 4th floor, Pacific Star Building, Low Rise Tower, Makati Avenue corner Senator Gil Puyat Avenue, Makati City, Philippines, 1209. It also filed an application for the increase of authorized capital stock from 4 Billion Pesos (P4,000,000,000.00) to 12 Billion Pesos on the same date.

Thereafter, upon the approval of the Securities and Exchange Commission of the capital increase, the Company shall file for the listing of the attendant shares with the Philippine Stock Exchange. The contemplated approval of the said business combination transaction will result in ECMRCI becoming a wholly owned subsidiary of the Company and thus will allow the Company to consolidate ECMRCI’s operations into its books.

Sources and Availability of Raw Materials -

Since the Company has not had any commercial operations, it does not depend on any one or a limited number of suppliers for essential raw materials, energy or other items.

Status of Any Publicly-announced New Product or Services – NONE

Competition

Significant and increasing competition exists for petroleum and mineral acquisition opportunities throughout the Philippines. As a result of this competition, the Company may be unable to acquire rights to exploit additional attractive petroleum and mining properties on terms the Company considers acceptable.

The Company had accumulated mineral and petroleum concessions during the time that the industry was at its lowest and, consequently, had a good chance of developing these resources into mineral and petroleum finds. As of December 31, 2018, the Company has written off or assigned all its mineral and petroleum assets in line with its decision to cease to engage in the business of mining, oil, petroleum, industrial development, mineral processing and other related activities.

Mining

As the Company was still in the stages of exploration before the assignment of its mineral assets, it cannot consider any other Company as competitor.

Dependence on One or a Few Major Customers – Not applicable

The Company is not dependent on single or few customers. It has no major existing sales contracts with its current customers.

Transactions with and/or Dependence on Related Parties – Not applicable

Patents, trademarks, Licenses, Franchises, Concessions, Royalty Agreements, or Labor Contracts –

The Company has no patents, trademarks or labor contracts relating to intellectual property matters.

Government Approval of principal products or services- Not applicable.

Effect of existing or probable government regulations on the business

The present existing and probable government regulations will not have so much effect on the current business of the Company because the Company is compliant with the existing laws on mining operations.

Amount Spent on development cost activities, and its percentage to revenues during each of the last three fiscal years – Not applicable.

Cost and effects of compliance with environmental laws

The Company has an outstanding strict policy of adherence to the environmental laws according to the Environmental Clearance Certificate (ECC) granted by the Department of Environment and Natural Resources and the Environmental Protection and Enhancement Program (EPEP).

Having complied with all government and non-government requirements such as MPSA, ECC, environmental programs, etc. have made the Company a recognized entity in the aggregate industry through its former subsidiary, Vulcan Materials Corporation was sold to Anglo Philippine Holding Corporation in December 18, 2012.

Employees

Due to the reorganization of the Company that commenced in the fourth quarter of 2012 and the intended listing of National Book Store, Inc., the Company had retired all of its employees during the first semester of 2013. There are no employees who are subject to any Collective Bargaining Agreement (CBA). The Company was not threatened by any strike in the past three years.

Financial Risk Management

The main risk arising from the Company's financial instruments are credit risk, liquidity risk, equity price risk and interest rate risk. The Board reviews and agrees on policies for managing each of these risks and they are summarized below:

Credit Risk

Credit Risk is the risk the Company will incur losses if its counterparties fail to discharge their contractual obligations.

The Company manages and control credit risk by doing business mostly only with recognized, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts to a minimum level.

Since the Company trades only with recognized third parties, there is no requirement for collateral.

Liquidity Risk

Liquidity risk is defined as the risk that the Company would not be able to settle or meet its obligations on time or at a reasonable price. Management is responsible for liquidity, funding as well as settlement management. The Company's objective is to maintain a balance between continuity of funding and flexibility by availing of credit facilities from various suppliers. The Company mainly sources its funds through the use of bank loans and advances from related parties.

Equity Price Risk

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market price. The Company is exposed to equity securities price risk because of financial assets held by the Company, which are classified on the parent Company balance sheets as AFS financial assets. The possible changes in the fair value of AFS financial assets could be brought by changes in the equity indices.

MINING CLAIMS

Because of the previous intention to exit the mining industry to explore other businesses, the Company assigned and transferred all its existing mining claims as of December 31, 2018. Shown below are the Company's mining claims.

1. Mining Contracts (in the form of MPSA with the Philippine Government). These mining claims were assigned to its related party Company (United Paragon Mining Corporation). Said assignment was approved by the MGB in an Order dated December 22, 2020.

Mining Claim Number	Location
MPSA 113-98-VI	Sipalay, Negros Occidental
MPSA 092-97-VI	Hinobaan, Negros Occidental

2. Mineral Production Sharing Agreement (MPSA) Application. This mining claim was waived in favor of its original claim owners, Marian Mineral Exploration Company, Inc. and Olympus Mineral Exploration Company, Inc.

Mining Claim Number	Location
APSA-000021-II	Cordon, Isabela & Diadi, Nueva Vizcaya

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 2. Properties

The Company has non-performing assets located in Isabela, and in Palawan and some parcels of land and building located in Roxas, Palawan. All properties are free from lien and/or encumbrances. As of December 31, 2018, the Company waived its Isabela property to original claim owners Marian Mineral Exploration Company, Inc. and Olympus Mineral Exploration Company, Inc. The Palawan property was donated to its former employees occupying the property.

The Registrant does not intend to acquire principal properties in the next twelve months.

Item 3. Legal Proceedings

There is no material pending legal proceeding to which the Company or its subsidiary or affiliate is a party, or of which any of their property is the subject.

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

There were no matters submitted to a vote of security holders during the fiscal year covered by this report, other than those voted upon at the Annual Stockholders' Meetings held on October 14, 2022.

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

The principal market where the issuer's common equity is traded to the Philippine Stock Exchange. The high and low sale price of the Company's shares for each quarter during the last two (2) fiscal years 2021 and 2022 and the first quarter of the current fiscal year 2023, expressed in Philippine Pesos, are as follows:

<u>2023</u>	<u>High</u>	<u>Low</u>
First Quarter	1.16	0.80
<u>2022</u>	<u>High</u>	<u>Low</u>
First Quarter	1.48	0.78
Second Quarter	1.02	0.76
Third Quarter	1.07	0.76
Fourth Quarter	0.92	0.78
<u>2021</u>	<u>High</u>	<u>Low</u>
First Quarter	4.20	1.00
Second Quarter	2.90	1.95
Third Quarter	2.75	1.06
Fourth Quarter	1.26	0.91

As of December 31, 2022 of this Annual Report, the market price of the Company's share is P0.80 per share. The Company is not trading its common equity outside of the Philippine Stock Exchange, Inc.

The Company had not declared any dividends in fiscal years 2022 and 2021.

The Company's ability to declare and pay dividends on common equity is restricted by the availability of sufficient retained earnings.

The number of shareholders of record as of December 31, 2022 was one thousand nine hundred (1,900). All of the Company's shares of stock are common shares of which 1.17% or 16,893,902 shares are foreign-owned.

The Top 20 Stockholders as of December 31, 2022 are:

RANK	NAME	# of Shares	% of Total
1	PCD NOMINEE CORPORATION*	903,652,812	62.3209
2	NATIONAL BOOK STORE	486,055,622	33.5211
3	RAMOS, ALFREDO C.	9,006,176	0.6211
4	SY,EUGENE	3,000,000	0.2069
5	BPI FAO IBOD	2,970,555	0.2049
6	ACUNA, EMMANUEL	2,800,000	0.1931
7	YAN, LUCIO W.&OR CLARA YAN	2,500,000	0.1724
8	WISE SECURITIES PHILS., INC	1,690,000	0.1166
9	CAMPOS, LANUZA & CO., INC	1,500,769	0.1035
10	G & L SECURITIES CO., INC	880,000	0.0607
11	L.M. GARCIA & ASSOCIATES, INC	623,724	0.0430
12	VIMC SPECIAL ACCOUNT	576,500	0.0398
13	MENDOZA, ALBERTO & /OR JEANIE C. MENDOZA	564,950	0.0390
14	CARLOS, FILOMENA R.	537,672	0.0371
15	YAN, LUCIO W.	524,904	0.0362
16	LARRGO SECURITIES CO., INC	511,121	0.0352
17	L.M GARCIA SEC. CORP.	500,000	0.0345

18	DE GRACIA, ELEANOR LAYA &/OR LAYA JAIME C.	456,950	0.0315
19	ANSELMO TRINIDAD & CO., INC.	418,035	0.0288
20	ACUNA, EMMANUEL	417,000	0.0288

No unregistered securities were sold during the past three (3) years. All of the Company's issued and outstanding shares of stocks are duly registered in accordance with the provisions of the Securities Regulation Code.

Item 6. Management's Discussion and Analysis or Plan of Operation

The Company is currently preparing for the intended backdoor listing of the HGP Group for which it had previously sought the necessary shareholder approvals. On August 9, 2022, the Company filed with the Securities and Exchange Commission an application for the amendment of its Articles of Incorporation for the (i) change of its corporate name to "East Coast Vulcan Corporation," (ii) change of number of directors to thirteen, and (iii) change of principal office address to the 4th floor, Pacific Star Building, Low Rise Tower, Makati Avenue corner Senator Gil Puyat Avenue, Makati City, Philippines, 1209. It also filed an application for the increase of authorized capital stock from 4 Billion Pesos (P4,000,000,000.00) to 12 Billion Pesos on the same date. The subscription to the increase of the capital stock shall be paid by the HGP Group through the fold-in of 99.99% ownership of East Coast Mineral Resources Company Inc. (ECMRCI) into the Company, based on an approved value of Php 5.18 billion. Upon the approval of the Securities and Exchange Commission of the said capital increase transaction, the Company shall file for the listing of the attendant shares with the Philippine Stock Exchange. The contemplated approval of the said business combination transaction will result in ECMRCI becoming a wholly owned subsidiary of the Company and thus will allow the Company to consolidate ECMRCI's operations into its books.

There are NO known trends, demands, commitments, events or uncertainties that have or are reasonably likely to have material impact on the Company's liquidity. Should the Company's cash position be not sufficient to meet current requirements, the Company may consider a) collecting a portion of accounts receivable; b) selling a portion of its treasury shares; and c) private placement. As a means to raise additional funds, the Company has sold all its treasury shares in the first quarter of 2014.

The Company has NO material commitments for capital expenditures EXCEPT for the Company's exploration and development costs in mineral projects.

Results of Operations

2022 compared to 2021 and 2020

For the year 2022, the Company incurred a net loss of ₱5.3 million which is attributable to general administrative expenses incurred by the Company during the year. Thus, the Company incurred a net loss of ₱2.1 million and ₱0.81 million for the year 2021, 2020 respectively. The net loss in 2021 and 2020 was due to general administrative expenses incurred by the Company.

Total costs and expenses for years 2022, 2021 and 2020 amounts to ₱5.3 million, ₱2.1 million, ₱0.81 million, respectively. Expenses incurred in 2022, 2021 and 2020 mostly on taxes, licenses and fees, outside services for consultant and Director fees.

Financial Position

In 2018, the Company has transferred and assigned all its rights and interests in all SCs, MPSAs and GSECs where it is a participant, except for its interest in Negros Copper Projects which has been assigned to United Paragon Mining Corporation (UPMC), in line with its decision to cease to engage in the business of mining, oil, petroleum, industrial development, mineral processing and other related activities.

As of December 31, 2022 and 2021, the Company has incurred cumulative losses resulting to a capital deficiency amounting to ₱8.7 million ₱3.4 million, respectively

The top five (5) key performance indicators of the Company and its subsidiary are as follows:

	31 Dec. 2022	31 Dec. 2021	31 Dec. 2020
Current Ratio	0.04	0.04	0.09
<u>Current Assets</u>	<u>394,509</u>	<u>139,047</u>	<u>131,125</u>
Current Liabilities	9,158,138	3,510,955	1,420,755
Debt to Equity Ratio	(1.05)	(1.04)	(1.10)
<u>Total Liabilities</u>	<u>9,158,138</u>	<u>3,510,955</u>	<u>1,420,755</u>
Stockholders' Equity	(8,711,779)	(3,371,908)	(1,289,630)
Equity to Debt Ratio	(0.95)	(0.96)	(0.91)
<u>Stockholders' Equity</u>	<u>(8,711,779)</u>	<u>(3,371,908)</u>	<u>(1,289,630)</u>
Total Liabilities	9,158,138	3,510,955	1,420,755
Book Value Per Share	(0.006)	(0.0023)	(0.0009)
<u>Stockholders' Equity</u>	<u>(8,711,779)</u>	<u>(3,371,908)</u>	<u>(1,289,630)</u>
Total # of shares	1,450,000,000	1,450,000,000	1,450,000,000
Earnings (Loss) per share	(0.0037)	(0.0014)	(0.0006)
<u>Net Income (Loss)</u>	<u>(5,339,871)</u>	<u>(2,082,278)</u>	<u>(812,916)</u>
Total # of shares	1,450,000,000	1,450,000,000	1,450,000,000

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

There are NO material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons created during the reporting period

There are NO material commitments for capital expenditures.

There are NO trends, events or uncertainties that have had or reasonably expected to have a material impact on the revenue or income from continuing operations of the Company.

There are NO significant elements of income or loss that did not arise from continuing operations.

There have been NO seasonal aspects that had material effect on the financial condition or result of operations of the Company.

Status of Operation

The Company has assigned and transferred the following remaining mineral properties as of December 31, 2018 as part of the Company's plan to cease the mining and oil and gas business.

a. Marian Project

The Marian Copper and Gold Project covers adjoining areas of Barangay Buaya, Municipality of Diadi, Province of Nueva Vizcaya and Barangay San Luis, Caquilingan, Anonang, Dallao, Villa Meimban, Quimaldero, Municipality of Cordon, Province of Isabela. The area encompasses 6,325 hectares denominated by APSA No. 000021-11.

VIMC started a scoping study of the Marian gold tailings to assess the economic potentials of erecting new Gold CIP processing facility on a stand-alone basis. In the last quarter of 2018 the Company waived its rights and interests therein in favor of the original claim owners Marian Mineral Exploration Company, Inc. and Olympus Mineral Exploration Company, Inc.

b. Negros Copper Projects

The Negros Manlupo Copper Project in Barangay Damutan, Hinoba-an, Negros Occidental has an area of 477 hectares covered by MPSA No. 092-97-VI granted on November 20, 1997. The Negros Luz Copper Project located in Barangay Manlucahoc, Sipalay City, Negros Occidental has an area of 806.57 hectares and is covered by MPSA No. 113-98-VI granted on May 6, 1998. In December 2018, the Company waived its rights and interests in all of its mineral projects except for the Negros Copper Project which were assigned to UPMC, a related Company (see Note 12 of 2018 Audited Financial Statements.) The assignment was approved by the MGB on December 22, 2020.

Item 7. Financial Statements

The Audited Financial Statements as of December 2022 are filed as part of this Form 17 – A.

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

None.

The accounting firm of Sycip Gorres Velayo (SGV) with address at 6760 Ayala Avenue, Makati City was appointed external auditor of the Company in 2022 Annual Stockholders Meeting. The fees of the external auditor in the past two (2) years are as follows:

Year	Audit & audit related fees	Tax Fees	Other Fees
2022	300,000	-0-	-0-
2021	215,600	-0-	-0-

For the past two (2) years, the Company has not engaged the services of SGV except for the statements in connection with statutory and regulatory filings for the year 2022 and 2021. The amounts under the caption of "Audit and audit related fees" for the years 2022 and 2021 pertain to these services. The Audit Committee prohibits the Company from engaging the external auditor to provide services

that may adversely affect its independence, including those expressly prohibited by regulations of the Securities and Exchange Commission (SEC).

SGV representatives are expected to be present at the Meeting and they will have the opportunity to make statement and respond to appropriate questions.

The Audit Committee reviews and recommends to the Board the appointment of SGV to the stockholders for appointment as external auditor of the Company.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Registrant

Directors & Executive Officers of the Registrant

Directors elected in the Annual meeting of Stockholders have a term of office of one (1) year and serve as such until their successors are elected and qualified in the next succeeding Annual Meeting of Stockholders, provided that a director who was elected to fill in a vacancy arising in the Board shall only serve the unexpired portion of his predecessor.

The names, ages, positions, periods of service of all incumbent directors and executive officers as such, and their business experience in the past five (5) years are as follows:

Hilario G. Pagauitan, 66, Filipino, was elected as Chairman of the Board and CEO of the Company on November 8, 2021. He is the majority owner of East Coast Mineral Resources Company Incorporated, a Company primarily engaged in the business of operating gold and nickel mines. He is the incumbent Mayor of Sta. Maria, Isabela. Mr. Pagauitan is a geologist by profession with extensive experience in the mining industry. He has interests in and serves as a director and/or senior officer at other privately-owned mining companies.

Sofia G. Pagauitan, 62, Filipino, was appointed Vice-Chairman, of the Company on November 8, 2021. She has served as a director and/or senior officer of companies engaged in mining and construction.

Isaac Hilario G. Pagauitan II, 38, Filipino, was elected Director on November 8, 2021 and is the incumbent Senior Vice President - Business Development and Data Privacy Officer. He has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is presently a Councilor of Sta. Maria, Isabela.

Michael Abraham G. Pagauitan, 36, Filipino, was elected Director on November 8, 2021. He is the incumbent Chief Risk Officer and has served as a director and/or officer of companies engaged in mining, construction, and agriculture. He is formerly the Barangay Chairman of Calamagui North Sta. Maria, Isabela and the President of the Liga ng mga Barangay, Sta. Maria, Isabela. He is presently the Vice Mayor of Sta. Maria, Isabela

Ma. Hilarnie Mercurie P. Parada, 41, Filipino, was elected Director on November 8, 2021 and is the incumbent Treasurer of the Company. She has served as a director and/or officer of companies engaged in mining, construction, and agriculture.

Edgardo V. Caringal, 67, Filipino, was elected Director on November 8, 2021 and is the incumbent Senior Vice President – Operations and Chief Compliance Officer. He is a veteran geologist and mining

professional. He has extensive experience in the mining industry and has served as senior officer to several mining companies.

Ramon C. Lee, 82, Filipino, was elected Director on November 8, 2021. He is a seasoned businessman with extensive experience in textile and mining.

Orlando S. Mercado, 76, Filipino, was elected Director on October 14, 2022. He is a former Senator, Secretary of Defense and Ambassador. He is a veteran broadcaster and professor of political science, communication and business management. He is currently Chairman of the Multi-Sectoral Advisory Board of the Education, Training and Doctrine Command of the Armed Forces of the Philippines (an advisory group) and a member of the faculty of the Ateneo School of Government, an Eminent Fellow and member of the Academic Council of the Development Academy of the Philippines (DAP). He also teaches MBA courses on FEU Makati.

Adrian Paulino S. Ramos, 44, Filipino, has been a Director of the Company since 2006. For the past five (5) years, he has served as a director and/or executive officer of companies engaged in printing, publication, sale and distribution of books, magazines and other printed media, investment holdings, mining, financial services, securities and water infrastructure.

Earl J. Torres, 62, Filipino, was elected as independent director of the Company on November 8, 2021. He has served as a director and/or officer of companies engaged in construction, real estate development, hospitality, and facilities management.

Roberto A. Baquiran, 62, Filipino, was elected Independent Director on October 14, 2022. He has served in the last five years as the Chief of Staff of the Office of the Commissioner of the Bureau of Internal Revenue. He was also previously a Partner in the law firm of Balayan, Baquiran, Fortes & Jimena. He is a Certified Public Accountant (CPA) and a member of the Integrated Bar of the Philippines.

Jose T. Nacorda, Jr., 67, Filipino, is the incumbent Senior Vice President - Finance and Admin and SEC Compliance Officer.

Gaspar R. Andres, Jr., 92, Filipino, is the incumbent as Corporate Secretary of the Company. He has served as officer and/or corporate secretary or legal counsel of companies involved in mining and mineral processing. He has also been the Corporate Secretary of the Chamber of Mines of the Philippines since 2010. Atty. Andres is a member of the Integrated Bar of the Philippines.

Ana Maria A. Katigbak-Lim, 51, Filipino, is the incumbent Assistant Corporate Secretary and Corporate Information Officer. She is a Senior Partner in Castillo Laman Tan Pantaleon & San Jose Law Firm. She is a member of the Integrated Bar of the Philippines and a graduate of Bachelor of Laws at the University of the Philippines. For the past five years, she has served as assistant corporate secretary in certain publicly-listed companies such as Marcventures Holdings, Inc., Premiere Horizon Alliance Corporation, Mabuhay Holdings Corp., Paxys, Inc., Energy Development Corp., and Solid Group, Inc., and as corporate secretary in Alsons Consolidated Resources, Inc. and IPM Holdings, Inc.

Lester Laurence S. Baguec, 41, Filipino, is the incumbent Corporate Finance, Corporate Planning Executive and Investor Relations Officer.

Dave D. Eustaquio, 25, Filipino, is the incumbent Chief Audit Executive and Internal Audit Head.

Directors with other directorship(s) held in reporting companies

ADRIAN PAULINO S. RAMOS

Alakor Securities Corporation
Atlas Consolidated Mining & Dev. Corp.
Anglo Philippine Holdings Corporation
United Paragon Mining Corporation
The Philodrill Corporation

Involvement in Certain Legal Proceedings

The Company is not aware of any involvement of its executives/officers/directors in any legal proceedings for the past five (5) years.

The following Independent directors are not officers or substantial shareholders of the Company nor is a director or officer of its related companies:

1. Roberto A. Baquiran
2. Earl J. Torres

Significant Employees

Other than its current officers, the Company has not engaged the services of any person who is expected to make significant contributions to the business of the Company.

Family Relationship

Mr. Hilario G. Pagautitan, Chairman of the Board, President & CEO, is the husband of Mrs. Sofia G. Pagautitan, Vice-Chairman and Isaac Hilario G. Pagautitan II, Senior Vice President - Business Development and Data Privacy Officer, Ma. Hilarnie Mercurie P. Parada, Treasurer, and Michael Abraham G. Pagautitan, Director and Chief Risk Officer, are their children.

Item 10. Executive Compensation

Information as to the aggregated compensation paid or accrued during the last two fiscal years and to be paid in the ensuing fiscal year to the Company's Chief Executive Officer and four other most highly compensated executive officer as follows:

Chief Executive Officer and highly compensated executive officer	Year	Salary	Bonus	Other Annual Compensation
Hilario G. Pagautitan		Chairman of the Board. President and Principal Executive Officer		
Sofia G. Pagautitan		Vice-Chair		
Isaac Hilario G. Pagautitan II		Senior Vice President – Business Development, Data Privacy Officer and Chief Risk Officer		

	2021	-0-	-0-	-0-
	2022	-0-	-0-	-0-
	2023(est)	-0-	-0-	-0-
All officers and directors as a group unnamed	2021	-0-	-0-	-0-
	2022	-0-	-0-	-0-
	2023(est)	-0-	-0-	-0-

There were no compensation for officers in 2022, 2021 and 2020 due to termination of all employees in year 2012.

For the most recently completed fiscal year and the ensuing fiscal year, directors will receive a per diem of P5, 000 per meeting to defray their expenses in attending board meetings. There are no other arrangements for compensation of directors, as such, during the last fiscal year and for the ensuing fiscal year.

There are NO warrants or options outstanding in favor of directors and officers.

Item 11. Security Ownership of Certain Beneficial Owners and Management

a.) As of December 31, 2022, VIMC knows of no one who beneficially owns in excess of 5% of VIMC's common stock except as set forth in the table below.

Among the participants under PCD, NO account owns more than 5% of the voting stock.

Class	Name and Address of Record Owner / Relationship to Issuer	Name of Beneficial Owner / Relationship with Record Owner	Citizenship	Number of Shares Held	% of Ownership
Common	Hilario G Pagautan/Sofia G. Pagautan	Hilario G Pagautan/Sofia G. Pagautan (See Note B)	Filipino	486,055,662*	33.52%
Common	Alakor Securities Corporation Quad Alpha Centrum, 125 Pioneer St., Mandaluyong City / Stockholder	National Book Store, Inc. /Owner (See Note A)	Filipino	200,000,000	13.79%
Common	PCD Nominee Corporation - Philippine Stock Exchange Bldg., Ayala Ave., Makati City	Various Clients / Stockholder (See Note A)	Filipino/Non-Filipino	703,652,812	48.53 %

Note:

Note A. Of the total 903,652,812 shares under the name of PCD Nominee Corp., 200,000,000 shares (13.79%) are under the name of Alakor Securities Corporation (ASC) FAO National Bookstore.

Note B: Hilario G. Pagautan/Sofia G Pagautan is the majority owner of East Coast Mineral Resources Company Incorporated, a company primarily engaged in the business of operating gold and nickel mines.

*Their shares were acquired pursuant to the Deed of Assignment dated July 1, 2021 executed between NBS and Hilario G. Pagautan and Sofia G. Pagautan as co/joint owners, for which eCAR is still in process with the BIR.

National Book Store Inc. is a local corporation engaged in retailing business and is a record and beneficial owner owning more than 5% of the Company's common shares. Based on previous practice, it issues proxies nominating, constituting and appointing Mr. Alfredo C. Ramos, Chairman & President, as proxy to vote for the number of shares it beneficially owned as of Record Date.

As a matter of practice, PCD itself does not vote the number of shares registered in its name; instead, PCD issues a general proxy constituting and appointing each of its participants as PCD's proxy to vote for the number of shares owned by such participant in PCD's books as of Record Date.

b.) Security Ownership of the Board and Management as of December 31, 2022

Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership		Citizenship	Percentage of Ownership
		Direct	Indirect		
Common	Hilario G. Pagautan/ Sofia G. Pagautan	486,055,663*	0	Filipino	33.52%
Common	Isaac Hilario G. Pagautan II	1	999	Filipino	0.00 %
Common	Adrian Paulino S. Ramos	500	4,072,620	Filipino	0.28 %
Common	Michael Abraham G. Pagautan	1	999	Filipino	0.00 %
Common	Ma. Hilarnie Mercurie P. Parada	1	999	Filipino	0.00 %
Common	Orlando S. Mercado	20,000	0	Filipino	0.00 %
Common	Edgardo V. Caringal	1	999	Filipino	0.00 %
Common	Ramon C. Lee	0	99,999	Filipino	0.00 %
Common	Roberto A. Baquiran	20,000	0	Filipino	0.00 %
Common	Earl J. Torres	1	999	Filipino	0.00 %

*486,055,662 shares are co-owned by Hilario G. Pagautan and Sofia G. Pagautan and were acquired pursuant to the Deed of Assignment dated July 1, 2021 executed between NBS and Hilario G. Pagautan and Sofia G. Pagautan as co/joint owners, for which eCAR is still in process with the BIR. They each own separately 1 direct share and 9,999 indirect shares.

c) Voting Trust Holders of 5% or more

To the extent known to the Company, there is NO PERSON holding more than 5% of any class of the Company's securities under a voting trust or similar agreement.

d) Change in control

Since the last Annual Meeting of Stockholders held last October 14, 2022, there were no changes in the composition of the Board of Directors, as disclosed by the Company on October 14, 2022.

Item 12. Certain Relationships and Related Transactions

In the ordinary and regular course of the business, the Company had transactions with related parties (i.e. companies with shareholders common with the Company) which principally consist of advances to related parties and loans/advances from related parties, the identities of these related parties, including the amounts and details of the transactions are disclosed in Note No. 8 of the Company's 2022 Audited Financial Statements.

The business purpose of related party transaction is to address immediate working capital requirements of related parties (in cases of advances to related parties) or of the Company (in the case of loans/advances from related parties).

All transactions with related parties are based on prevailing market/commercial rate at the time of the transaction.

There are no on-going contractual or other commitments as a result of the arrangement other than the repayment of money lent or advanced.

PART IV –CORPORATE GOVERNANCE

Item 13. Corporate Governance

Pursuant to Memorandum Circular No. 20, Series of 2017, issued by the Securities and Exchange Commission (SEC), Annual Corporate Governance Report is no longer required to be attached to the 2022 Annual Report.

The Company filed a copy of its 2021 Integrated Annual Corporate Governance Report (I-ACGR) to the SEC on May 31, 2022 and is posted in the Company website. The I-ACGR for 2022 will be filed with the SEC on or before it falls due for submission.

PART V - EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

(a) Exhibits - See accompanying index to exhibits

(b) Reports on SEC Form 17-C

Report on Form 17- C (Current Report) had been filed during the last twelve (12) months of 2022 to present.

Date	Particulars
July 15, 2022	Postponement of and Notice of 2022 Annual Stockholders' Meeting
October 14, 2022	Results of the Annual Stockholders' Meeting and Organizational Meeting of the Board of Directors
April 11, 2023	Resignation of Chief Risk Officer/ Appointment of new Chief Risk Officer and Investor Relations Officer/ Postponement of 2023 Annual Stockholders' Meeting/ Approval of the 2022 Audited Financial Statements

SIGNATURE

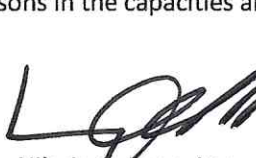
Pursuant to the requirements of Section 11 of the RSA and Section 141 of the Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned; thereunto duly authorized, in the City of Mandaluyong on ____ April 2023.

VULCAN INDUSTRIAL & MINING CORPORATION

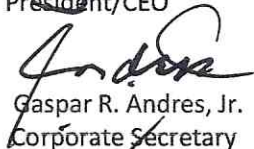
Issuer

Pursuant to the requirements of the Revised Securities Act, this annual report has been signed by the following persons in the capacities and on the dates indicated.

By:


Hilario G. Pagautan
Chairman of the Board
President/CEO


Ma. Hilarnie Mercurie P. Parada
Treasurer


Gaspar R. Andres, Jr.
Corporate Secretary


Jose T. Nacorda, Jr.
SEC Compliance Officer


Ana Maria A. Katigbak-Lim
Corporate Information Officer

MAKATI CITY

APR 14 2023

SUBSCRIBED AND SWORN to before me this ____ day of April 2023, affiant exhibited to me his Community Tax Certificates, as follows:

Names	Passport Number/ Government Issued ID	Issue Date/Expiry Date	Place of Issue
Hilario G. Pagautan	Passport No. P7894187A	July 11, 2018/ July 10, 2028	DFA Tuguegarao
Ma. Hilarnie Mercurie P. Parada	Passport No. P8180064A	July 11, 2018/ July 10, 2028	DFA Tuguegarao
Gaspar R. Andres, Jr. SSS	ID No. 03-2246688-5		SSS
Jose T. Nacorda, Jr.	DL No. K07-90-006716	Jan. 24, 2032	LTO
Ana Maria A. Katigbak-Lim	Passport No. P7145377B	July 07, 2021/ Jul 6, 2031	DFA Manila

Doc No. 104
Page No. 22
Book No. h
Series of 2023.


ATTY. JOEL FERRER FLORES
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2023 (2023-2024)
APPOINTMENT NO. M-115
ROLL NO. 77376 / MCLE (EXEMPT)
PTR NO. 9563564 / JAN. 03, 2023/MAKATI CITY
IBP NO. 261994 / JAN. 03, 2023/PASIG CITY
1107 D. BATAAN ST., GUADALUPE NUEVO, MAKATI CITY

VULCAN INDUSTRIAL & MINING CORPORATION
INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
SEC FORM 17-A

Page

CONSOLIDATED FINANCIAL STATEMENTS

Statement of Management's Responsibility for Financial Statements
Report of Independent Public Accountants
Statements of Financial Position as of December 31, 2022 and 2021
Statements of Comprehensive Income for each of the
 Three Years in the Year Ended December 31, 2022, 2021, 2020
Statements of Changes in Equity for each of the
 Three Years in the Year Ended December 31, 2022, 2021, 2020
Statements of Cash Flows for each of the
 Three Years in the Year Ended December 31, 2022, 2021, 2020
Notes to Financial Statements

SUPPLEMENTARY SCHEDULES

Report of Independent Public Accountants on Supplementary Schedules

Schedule A	Financial Assets
Schedule B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
Schedule C	Amounts Receivable from Related Parties
Schedule D	Intangible Assets – Others Asset
Schedule E	Long-Term Debt
Schedule F	Indebtedness to Related Parties (Long-term Loans from Related Companies)
Schedule G	Guarantees of Securities of Other Issuers
Schedule H	Capital Stock
Schedule I	Reconciliation of Retained Earnings Available for Dividend Declaration as of December 31, 2022
Schedule J	Financial Ratios
Schedule K	Tabular Schedule of Effective Standards and Interpretations under the PFRS as of December 31, 2022

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

7 4 4 3

COMPANY NAME

V U L C A N I N D U S T R I A L & M I N I N G C O R
P O R A T I O N

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

6 t h F l o o r Q u a d A l p h a C e n t r u m ,
1 2 5 P i o n e e r S t . , M a n d a l u y o n g C
i t y

Form Type

A A F S

Department requiring the report

C G F D

Secondary License Type, If Applicable

N / A

COMPANY INFORMATION

Company's Email Address

info@vulcanminingcorp.com

Company's Telephone Number/s

(02) 8511-8312

Mobile Number

N/A

No. of Stockholders

1,900

Annual Meeting Month/Day

Last Wednesday of May

Fiscal Year Month/Day

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Atty. Gaspar R. Andres Jr.

Email Address

grandres14@yahoo.com

Telephone Number/s

(02) 8631-5139

Mobile Number

N/A

CONTACT PERSON'S ADDRESS

Quad Alpha Centrum, 125 Pioneer Street, Mandaluyong City, Philippines

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



Fw: Your BIR AFS eSubmission uploads were received

lesterlaurence@.../Inbox



Rosie Rosaria <rosierosaria@yahoo.com>

To: lesterlaurence@yahoo.com <lesterlaurence@yahoo.com>

17 Apr at 8:43 pm

Hi po.

Forwarding Eafs c9nfirmation receipts.

Thank you.

Rosie

[Sent from Yahoo Mail on Android](#)

----- Forwarded Message -----

From: "eafs@bir.gov.ph" <eafs@bir.gov.ph>

To: "INFO@VULCANMININGCORP.COM" <INFO@VULCANMININGCORP.COM>

Cc: "ROSIEROSARIA@YAHOO.COM" <ROSIEROSARIA@YAHOO.COM>

Sent: Mon, Apr 17, 2023 at 8:33 PM

Subject: Your BIR AFS eSubmission uploads were received

Hi VULCAN INDUSTRIAL AND MINING CORPORATION,

Valid files

- EAFS000062736AFSTY122022.pdf
- EAFS000062736ITRTY122022.pdf

Invalid file

- EAFS000062736RPTY122022.pdf

Warning: Please resubmit the invalid file in the expected PDF format.

Transaction Code: **AFS-0-AEBBLGLG0CDED9JLEQS3WY2NZ0QTZ3MP3T**

Submission Date/Time: **Apr 17, 2023 08:14 PM**

Company TIN: **000-062-736**

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.

=====
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VULCAN INDUSTRIAL & MINING CORPORATION
6TH Floor Quad Alpha Centrum, 125 Pioneer, Mandaluyong City
Tel (632) 8631-5139: Fax (632) 8631-3113
www.vulcanminingcorp.com

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of Vulcan Industrial and Mining Corporation is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the year ended December 31, 2022, 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 (Trustees) is responsible for overseeing the Company's financial reporting process.

The Board of Directors (Trustees) review and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

SyCip, Gorres, Velayo & 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.



Hilario G. Pagautan

President/CEO/Chairman of the Board



Sofia G. Pagautan

Vice Chairman



Ma. Hilarnie Mercurie P. Parada

Treasurer

Signed this 11th day of April 2023

MAKATI CITY
APR 14 2023

Doc. No. 106

Page No. 25

Book No. 6

Series of 2023


ATTY. JOEL FERRER FLORES

NOTARY PUBLIC FOR MAKATI CITY

UNTIL DECEMBER 31, 2023 (2023-2024)

APPOINTMENT NO. M-115

ROLL NO. 77376 / MCLE (EXEMPT)

PTR NO. 9563564 / JAN. 03, 2023 / MAKATI CITY

IBP NO. 261994 / JAN. 03, 2023 / PASIG CITY

1107 D. BATAAN ST., GUADALUPE NUEVO, MAKATI CITY

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Vulcan Industrial & Mining Corporation
6th Floor, Quad Alpha Centrum
125 Pioneer St., Mandaluyong City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Vulcan Industrial & Mining Corporation (the Company), which comprise the statements of financial position as at December 31, 2022 and 2021, and the statements of comprehensive income, statements of changes capital deficiency and statements of cash flows for each of the three years in the period ended December 31, 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021 and its financial performance and its cash flows for each of the three years in the period ended December 31, 2022, in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 our audit of the 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company has incurred cumulative losses resulting to deficit amounting to ₱1,001.2 million and ₱995.9 million as at December 31, 2022 and 2021, respectively, which resulted to capital deficiency amounting to ₱8.7 million and ₱3.4 million, respectively. In addition, the Company has negative working capital of ₱8.8 million and ₱3.4 million in 2022 and 2021, respectively. The Company is currently non-operating due to the cessation of its mining business and amendment of its primary and secondary purposes as a corporation from mining to holding. As stated in Note 1, these conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2022, but does not include the financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2022 are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs, 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 PSAs 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, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the 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 auditor's report to the related disclosures in the 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 auditor's 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 financial statements, including the disclosures, and whether the 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 our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on the Supplementary Information Required Under Revenue Regulations 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 14 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Vulcan Industrial & Mining Corporation. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The partner in charge of the audit resulting in this independent auditor's report is Eleanore A. Layug.

SYCIP GORRES VELAYO & CO.



Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-097-2020, November 27, 2020, valid until November 26, 2023

PTR No. 9564637, January 3, 2023, Makati City

April 11, 2023



VULCAN INDUSTRIAL & MINING CORPORATION
STATEMENTS OF FINANCIAL POSITION

	December 31	
	2022	2021
ASSETS		
Current Assets		
Cash (Note 4)	₱163,313	₱139,047
Advances to suppliers and contractors	208,096	–
Input value added tax (VAT)	23,100	–
Total Current Assets	394,509	139,047
Noncurrent Asset		
Property and equipment (Note 5)	51,850	–
TOTAL ASSETS	₱446,359	₱139,047
LIABILITIES AND CAPITAL DEFICIENCY		
Current Liabilities		
Accrued expenses (Note 6)	₱486,383	₱175,000
Due to related parties (Note 7)	8,671,755	3,335,955
Total Current Liabilities	9,158,138	3,510,955
Capital Deficiency		
Capital stock (Note 8)	992,497,120	992,497,120
Deficit (Note 1)	(1,001,208,899)	(995,869,028)
Total Capital Deficiency	(8,711,779)	(3,371,908)
TOTAL LIABILITIES AND CAPITAL DEFICIENCY	₱446,359	₱139,047

See accompanying Notes to Financial Statements.



VULCAN INDUSTRIAL & MINING CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2022	2021	2020
GENERAL AND ADMINISTRATIVE EXPENSES (Note 9)	₱5,339,977	₱2,082,495	₱813,040
OTHER INCOME			
Interest income from bank deposits (Note 4)	106	217	124
NET LOSS	(₱5,339,871)	(2,082,278)	(812,916)
OTHER COMPREHENSIVE INCOME	—	—	—
TOTAL COMPREHENSIVE LOSS	(₱5,339,871)	(₱2,082,278)	(₱812,916)
BASIC/DILUTED LOSSES PER SHARE (Note 11)	(₱0.005)	(₱0.002)	(₱0.001)

See accompanying Notes to Financial Statements.



VULCAN INDUSTRIAL & MINING CORPORATION
STATEMENTS OF CHANGES IN CAPITAL DEFICIENCY
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 and 2020

	Capital Stock (Note 8)				Deficit	
	Issued	Subscribed	Subscription Receivable	Total	(Note 1)	Total
Balances at December 31, 2019	963,944,338	486,055,662	(457,502,880)	992,497,120	(992,973,834)	(476,714)
Total comprehensive loss	—	—	—	—	(812,916)	(812,916)
Balances at December 31, 2020	963,944,338	486,055,662	(457,502,880)	992,497,120	(993,786,750)	(1,289,630)
Total comprehensive loss	—	—	—	—	(2,082,278)	(2,082,278)
Balances at December 31, 2021	₱963,944,338	₱486,055,662	(₱457,502,880)	₱992,497,120	(₱995,869,028)	(₱3,371,908)
Total comprehensive loss	—	—	—	—	(5,339,871)	(5,339,871)
Balances at December 31, 2022	₱963,944,338	₱486,055,662	(₱457,502,880)	₱992,497,120	(₱1,001,208,899)	(₱8,711,779)

See accompanying Notes to Financial Statements.



VULCAN INDUSTRIAL & MINING CORPORATION
STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	(P5,339,871)	(P2,082,278)	(P812,916)
Adjustments for:			
Depreciation (Note 9)	13,645	—	—
Interest income (Note 4)	(106)	(217)	(124)
Operating loss before working capital changes	(5,326,332)	(2,082,495)	(813,040)
Decrease (increase) in:			
Advances to suppliers and contractors	(208,096)	—	—
Input VAT	(23,100)	—	—
Increase (decrease) in:			
Accrued expenses	311,383	(9,800)	(157,849)
Due to related parties	5,335,800	2,100,000	1,043,344
Net cash flows from operations	89,655	7,705	72,455
Interest received	106	217	124
Net cash flows from operating activities	89,761	7,922	72,579
CASH FLOW FROM AN INVESTING ACTIVITY			
Additions to property and equipment (Note 5)	(65,495)	—	—
NET INCREASE IN CASH	24,266	7,922	72,579
CASH AT BEGINNING OF YEAR	139,047	131,125	58,546
CASH AT END OF YEAR	P163,313	P139,047	P131,125

See accompanying Notes to Financial Statements.



VULCAN INDUSTRIAL & MINING CORPORATION

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information and Status of Operations

Corporate Information

Vulcan Industrial & Mining Corporation (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on January 13, 1953 under the name “Vulcan Manufacturing Corporation” and was listed in the Philippine Stock Exchange (PSE) on August 31, 1970. On June 15, 1977, the Company amended its articles of incorporation and changed its name to “Vulcan Industrial & Mining Corporation”. The Company’s corporate life was extended for another 50 years on January 13, 2003.

As of December 31, 2022 and 2021, National Book Store, Inc. (NBS) owned the 13.8% of the shares of the Company.

The Company was involved in finding, developing and producing oil and gas reserves and other mineral properties. The Company was a participant in several Service Contracts (SCs), Mineral Production Sharing Agreements (MPSAs) and Geophysical Survey and Exploration Contracts (GSECs) entered with the Philippine Government, through the Department of Energy (DOE).

On December 7, 2018, the Company’s Board of Directors (BOD) and the Stockholders resolved that the Company cease to engage in the business of mining, oil, petroleum, industrial development and mineral processing. Further, the BOD and Stockholders resolved to amend the primary and secondary purposes from mining to holding and such other purposes as management deems fit and in the best interest of the Company. The Company is still in the process of filing the amendment to the SEC.

On July 1, 2021, the Company entered into a Memorandum of Agreement (MOA) with majority stockholders (HGP Group) of East Coast Mineral Resources Company Incorporated (ECRMCI) for the latter’s subscription up to 5.18 billion shares of the Company arising from the increase in authorized capital stock (see Note 8).

In 2021, the BOD and Stockholders have approved the following amendment in the Company’s Articles of Incorporation

- Change in corporate name to East Coast Vulcan Corporation;
- Change in principal office address to 4th Floor, Low Rise, Pacific Star Building, 1226 Sen. Gil J. Puyat Ave., Makati City, Metro Manila; and
- Increase in authorized capital stock from 4 billion shares to 12 billion shares (see Note 8).

In 2022, the Company submitted its application for the amendment of Articles of Incorporation to the Philippine SEC. As of April 11, 2023, SEC has not yet approved the application.

The Company’s registered office address is at 6th Floor Quad Alpha Centrum, 125 Pioneer Street, Mandaluyong City.



Status of Operations

The Company has incurred cumulative losses resulting to deficit amounting to ₱1,001.2 million and ₱995.9 million as at December 31, 2022 and 2021, respectively, which resulted to capital deficiency amounting to ₱8.7 million and ₱3.4 million, respectively. In addition, the Company has negative working capital of ₱8.8 million and ₱3.4 million in 2022 and 2021, respectively. The Company is currently non-operating due to the cessation of its mining business and amendment of its primary and secondary purposes as a corporation from mining to holding. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, that the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

Management has neither the intention nor the need to liquidate the Company in the foreseeable future. East Coast Mineral Resources Company Incorporated, an affiliated company owned by the HGP Group, is committed to provide financial support to enable the Company to continue paying its expenses and settle its liabilities, for at least 12 months from the balance sheet date, and to enable the Company to operate as a going concern. Further, the Company is currently preparing for the backdoor listing with ECMRCI. As a result of the Memorandum of Agreement entered with HGP Group, the Company filed for an increase in its authorized capital stock in 2022 to SEC for the subscription to new shares of the Company by the HGP Group through the transfer of the latter's 99.99% ownership of ECMRCI into the Company amounting to ₱5.18 billion. As such, the financial statements have been prepared on a going concern basis.

The financial statements as of December 31, 2022 and 2021 were approved and authorized for issue by the BOD on April 11, 2023.

2. Basis of Preparation, Statement of Compliance, Changes in Accounting Policies and Disclosures and Summary of Significant Accounting Policies

Basis of Preparation

The Company's financial statements have been prepared under the historical cost basis. The financial statements are presented in Philippine peso (₱), which is the Company's functional currency. All amounts are rounded to the nearest Philippine Peso, except as otherwise stated.

Statement of Compliance

The financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs).

Changes in Accounting Policies and Disclosures

New and Amended Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the new standards effective in 2022. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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



- Amendments to PFRS 3, *Reference to the Conceptual Framework*

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of PFRS 3, *Business Combinations* to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, *Provisions, Contingent Liabilities and Contingent Assets* or Philippine-IFRIC 21, *Levies*, if incurred separately.

At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

- Amendments to PAS 16, *Property, Plant and Equipment: Proceeds before Intended Use*

The amendments prohibit entities 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 management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*

The amendments specify which costs an entity needs to include when 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 costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

- *Annual Improvements to PFRSs 2018-2020 Cycle*

- Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*

The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported in the parent’s consolidated financial statements, based on the parent’s date of transition to PFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

- Amendments to PFRS 9, *Financial Instruments, Fees in the ‘10 per cent’ test for derecognition of financial liabilities*

The amendment clarifies the fees 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.



- Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

The amendment removes 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.

Standards Issued but not yet Effective

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

Effective beginning on or after January 1, 2023

- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

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*

Summary of Significant Accounting Policies

Cash in Bank

Cash in bank earn interest at floating rates based on daily bank deposit rates presented as "Interest income from bank deposits" in the statements of comprehensive income.

Fair Value Measurement

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

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

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

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

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



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

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

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

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.

Financial Instruments

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

Financial Assets: Initial Recognition and Measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs.

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

Contractual Cash Flows Characteristics

If the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the Company assesses whether the cash flows from the financial asset represent 'solely payments of principal and interest' (SPPI) on the principal amount outstanding.

In making this assessment, the Company determines whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes consideration only for the time value of money, credit risk and other basic lending risks and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual terms that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI on the principal amount outstanding.



Business Model

The Company's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument.

The Company's business model refers to how it manages its financial assets in order to generate cash flows. The Company's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. Relevant factors considered by the Company in determining the business model for a group of financial assets include how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel, the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed and how managers of the business are compensated.

Financial Assets: Subsequent Measurement

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

- Financial assets at amortized cost (debt instruments);
- Financial assets at FVTPL;
- Financial assets at fair value through other comprehensive income (FVOCI), where cumulative gains or losses previously recognized are reclassified to profit or loss (debt instruments); and
- Financial assets at FVOCI, where cumulative gains or losses previously recognized are not reclassified to profit or loss (equity instruments).

The Company's financial assets are all classified and measured at amortized cost.

Financial Assets at Amortized Cost

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

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

These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest (EIR) method, less any impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the EIR. The amortization is included in "Interest income" in the statements of comprehensive income and is calculated by applying the EIR to the gross carrying amount of the financial asset, except for (i) purchased or originated credit-impaired financial assets and (ii) financial assets that have subsequently become credit-impaired, where, in both cases, the EIR is applied to the amortized cost of the financial asset.

The Company's financial asset at amortized cost includes cash in bank.



Impairment of Financial Assets

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

ECLs are measured in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

Stage 1: 12-month ECL

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the 12 months after the reporting date are recognized.

Stage 2: Lifetime ECL - not credit-impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition on an individual or collective basis but are not credit-impaired, lifetime ECLs representing the ECLs that result from all possible default events over the expected life of the financial asset are recognized.

Stage 3: Lifetime ECL - credit-impaired

Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are recognized and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

For cash in bank, the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company uses the rating from external credit agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities: Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as FVTPL, at amortized cost or as derivatives designated as hedging instruments in an effective hedge, as appropriate.



All financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

The Company's financial liabilities are all classified and measured at amortized cost.

Subsequent Measurement – Financial Liabilities at Amortized Cost

This is the category most relevant to the Company. After initial recognition, interest-bearing financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statements of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

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

The Company's financial liabilities at amortized cost consist of accrued expenses and due to related parties.

Reclassifications of Financial Instruments

The Company reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Company and any previously recognized gains, losses or interest shall not be restated. The Company does not reclassify its financial liabilities.

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 primarily derecognized when:

1. the rights to receive cash flows from the asset have expired;
2. the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
3. the Company has transferred its rights to receive cash flows from the 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 rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the 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 or 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statements of comprehensive income.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to set off the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Company assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Company and all of the counterparties.

VAT

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the statement of financial position to the extent of the recoverable amount.

Advances to Suppliers and Contractors

Advances to suppliers and contractors pertains to advance payment contractors for the purchase of goods or services. These advances will be offset against the billings upon delivery of goods or services by the supplier or contractors. These are expected to be realized within 12 months after the end of reporting period.

Property and Equipment

Property and equipment are carried at cost, excluding the cost of day-to-day servicing, less accumulated depreciation and any accumulated impairment in value. The initial cost of an item of property and equipment consists of its purchase price including import duties, taxes, and any directly attributable costs of bringing the asset to its working condition and location of its intended use. Such costs include the cost of replacing part of such property and equipment when that cost is incurred, only if the recognition criteria are met. Expenditures incurred after the asset has been put into operation, such as repairs and maintenance, are normally charged to statement of comprehensive income in the period in which the costs are incurred.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in 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 an additional cost of property and equipment. Major maintenance cost that are capitalized as part of property and equipment are depreciated on straight-line basis over the shorter of their estimated useful life, typically the period until the next major maintenance or inspection.



Depreciation of property and equipment is computed using the straight-line basis, net of any estimated residual value, over their estimated useful lives as follows:

Category	Number of Years
Office equipment	2

Depreciation of property and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation do not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated and amortized. Depreciation of an asset ceases when the asset is derecognized.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of an item shall be depreciated and amortized separately.

The useful lives and depreciation method are reviewed at each reporting date to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the property and equipment) is recognized in the statements of comprehensive income in the year the property and equipment is derecognized.

When items of property and equipment are retired or otherwise disposed of, their cost and related accumulated depreciation and amortization and any impairment in value are eliminated from the accounts and any resulting gain or loss on disposal is included in the statements of comprehensive income. Fully depreciated and amortized assets are retained in the accounts until they are no longer in use and no further depreciation is recorded.

Impairment of Nonfinancial Assets

Input VAT and Advances to suppliers and contractors

The Company assesses at each financial reporting date, its input VAT and advances to suppliers and contractors to determine whether there is any indication that the assets may be impaired. If there is an indication of possible impairment, the recoverable amount of input VAT and advances to suppliers and contractors is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the statements of comprehensive income.

The Company provides allowance for impairment losses on nonfinancial input VAT and advances to suppliers and contractors when they can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Company made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase recorded expenses and decrease input VAT and advances to suppliers and contractors.

Property and equipment

The Company assesses at each financial reporting date whether there is an indication that property and equipment may be impaired. If any such indication exists, or when the annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell (FVLCS) and its value-in-use (VIU)



and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, 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. In determining FVLCS, an appropriate valuation model is used, with the calculations corroborated by other available fair value indicators. Any impairment loss is recognized in the statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

Recovery of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The recovery is recorded in the statements of comprehensive income. However, the increased carrying amount of an asset due to a recovery of an impairment loss is recognized to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation and amortization) had no impairment loss been recognized for that asset in prior years.

Capital Stock

The Company has issued capital stock that is classified as equity and recorded at par. Incremental costs directly attributable to the issue of new capital stock are shown in equity as a deduction, net of tax, from the proceeds.

Subscription Receivable

Subscription receivable pertains to the amount of subscribed capital stock less the amount paid-up. Subscription receivable is presented as deduction from capital stock.

Deficit

Deficit includes accumulated profits and losses attributable to the Company's stockholders. Deficit may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Interest Income

Interest income is recognized as it accrues taking into account the effective yield of the asset.

Expenses

Expenses are decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. General and administrative expenses are costs related to the direction and general administration of day-to-day operations of the Company. These expenses are recognized when incurred.

Income Taxes

Current Income Tax

Current income tax assets and liabilities for the current and prior year periods are measured at the amount expected to be recovered from, or paid to, the tax authority. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted as at the reporting date.



Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

Deferred Income Tax

Deferred income tax is provided, using the liability method, 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 income tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused net operating loss carry-over (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits and unused NOLCO can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date 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 income tax assets to be utilized. Unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Basic/Diluted Losses Per Share

Basic losses per share (LPS) is computed by dividing net loss attributable to equity holders of the Company for the year by the weighted average number of common shares outstanding during the year after giving retroactive effect to stock dividends declared and stock rights exercised during the year, if any. The Company currently does not have potential dilutive common shares.

Segment Reporting

An operating segment is a component of an entity that: (a) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity); (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available.

There is only one reportable segment due to the amendment of the primary and secondary purposes of the Company from mining to holding (see Note 12).

Related Party Transactions

Transactions with related parties accounted for based on the nature and substance of the agreement, and financial effects are included in the appropriate asset, liabilities, income and expense accounts.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the



expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statements of comprehensive income, net of any reimbursement.

Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent asset are not recognized in the financial statements but disclosed in the notes to 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 position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to the financial statements when material.

3. Significant Accounting Judgments, Estimates and Assumptions

The Company's financial statements prepared in accordance with PFRSs require management to make judgment, estimates and assumptions that affect the amounts reported in the financial statements and related notes. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Company's financial statements. Actual results could differ from such estimates.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

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

Going Concern

The use of going concern assumption requires management to make judgments at a particular point in time about the future outcomes of events and conditions that are inherently uncertain. The underlying assumption in the preparation of financial statements is that the Company has neither the intention nor the need to liquidate the business.

Management has made an assessment of the Company's ability to continue as going concern and believes that financial support from ECMRCI is sufficient to provide the Company the ability to continue as a going concern. Accordingly, the Company prepares its financial statements on a going concern basis.



Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the 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:

Estimating Realizability of Deferred Income Tax Assets

The Company reviews the carrying amounts of deferred income tax assets at each reporting date and reduces the amounts to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized in the future.

The Company did not recognize deferred income tax assets on carryforward benefits of unused NOLCO amounting to ₱8.2 million and ₱4.3 million as of December 31, 2022 and 2021, respectively, as management assessed that it is not probable that sufficient taxable income will be available to allow all or part of deferred income tax assets to be utilized in the future (see Note 10).

4. Cash

	2022	2021
Cash in bank	₱63,313	₱139,047
Cash on hand	100,000	—
	₱163,313	₱139,047

Cash in bank generally earn interest based on prevailing bank deposit rates. Interest income earned from cash in bank, net of final taxes withheld, amounted to ₱106, ₱217 and ₱124 in 2022, 2021 and 2020, respectively.

5. Property and Equipment

	Office equipment
Cost:	
Beginning balance	₱—
Additions	65,495
Ending balance	65,495
Accumulated depreciation	
Beginning balances	—
Depreciation (Note 9)	13,645
Ending balance	13,645
Net book value	₱51,850

6. Accrued Expenses

	2022	2021
Accrued expenses	₱473,120	₱175,000
Withholding tax	4,000	—
Others	9,263	—
	₱486,383	₱175,000

Accrued expenses pertain to accruals for general and administrative expenses.



7. Related Party Disclosures

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

In the normal course of business, the Company has transactions with its affiliates and stockholders. Transactions pertain to advances from related parties to meet the Company's working capital requirements. The outstanding balance is presented as "Due to related parties" in the statements of financial position.

	2022		2021			
	Transactions During the Year	Outstanding Balance	Transactions During the Year	Outstanding Balance	Terms	Conditions
<i>Affiliates:</i>						
<i>Advances</i>						
NBS	₱—	₱152,610	₱—	₱192,610	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Anglo Philippine Holdings Corporation (APHC)	35,538	3,178,883	2,100,000	3,143,345	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
Libjo Mining Corporation (LMC)	1,516,965	1,516,965	—	—	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
ECMRCI	1,143,375	1,143,375	—	—	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
<i>Stockholder</i>						
Individual stockholder	2,679,922	2,679,922	—	—	Noninterest-bearing; Payable in cash; Due and demandable	Unsecured
		₱8,671,755	₱3,335,955			

Compensation of Key Management Personnel

The financial and administrative functions of the Company are being handled by its affiliate, ECMRCI.



8. Capital Stock

Authorized:

Common shares - ₱1 par value in 2022 and 2021	
4,000,000,000 shares in 2022 and 2021	₱4,000,000,000

Issued:

Common shares - ₱1 par value in 2022 and 2021	
963,944,338 shares in 2022 and 2021	₱963,944,338

Subscribed:

Common shares - ₱1 par value in 2022 and 2021	
486,055,662 shares in 2022 and 2021 (net of subscriptions receivable of ₱457,502,880)	28,552,782
	<u>₱992,497,120</u>

On August 11, 2014, the Company and NBS executed a subscription agreement for 363,944,338 common shares of the Company, to be issued in consideration of the assignment of NBS' existing deposit for future subscriptions amounting to ₱363.9 million in full payment of the total subscription price.

Simultaneously, the Company and NBS also executed a subscription agreement for 486,055,662 common shares of the Company, to be issued in consideration of a total subscription price of ₱486.1 million, payable in cash as follows:

- (i) ₱24.3 million upon execution of the subscription agreement: and
- (ii) The balance of ₱461.8 million upon call of the BOD

Both agreements were executed to comply with the documentary requirements of the Philippine SEC in connection with the Company's application for increase in authorized capital stock. On October 30, 2014, the Philippine SEC approved the Company's application for increase in authorized capital stock.

On November 4, 2014, the Company received ₱4.3 million from NBS as partial payment of the subscription balance that is payable upon call of the BOD.

Total share issuance costs incurred in connection with the increase in authorized capital stock and subscription agreements amounting to ₱11.0 million in 2014 were recognized directly in equity. On February 24, 2016, the Company issued the previously subscribed 363,944,338 common shares amounting to ₱363.9 million to NBS.

In 2021, the Company entered into a MOA with majority stockholders of ECRMCI for the latter's subscription up to 5.18 billion shares of the Company arising from the increase in authorized capital stock. Such increase in authorized capital stock from 4 billion shares to 12 billion shares has been approved by the BOD and Stockholders and still pending approval from Philippine SEC (see Note 1).



The table below provides information regarding the number of stockholders of the Company as of December 31, 2022, 2021 and 2020:

	2022	2021	2020
Common shares	1,900	1,901	1,901

Capital Management

The primary objective of the Company's capital management is to ensure that the Company has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value.

The Company considers the following as its core economic capital:

	2022	2021
Due to related parties	₱8,671,755	₱3,335,955
Capital stock	992,497,120	992,497,120
Deficit	(1,001,208,899)	(995,869,028)
	(₱40,024)	(₱35,953)

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may obtain additional advances from related parties and stockholders or look for strategic and financial investors to invest in the Company.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2022 and 2021.

9. General and Administrative Expenses

	2022	2021	2020
Consultant fees	₱3,307,269	₱82,900	₱167,050
Taxes and licenses	511,358	280,379	272,079
Director's fees	480,000	1,350,000	—
Representation	466,409	—	—
Outside services	245,240	309,000	276,000
Rental	175,340	—	—
Transportation	21,845	—	55,000
Depreciation (Note 5)	13,645	—	—
Others	118,871	60,216	42,911
	₱5,339,977	₱2,082,495	₱813,040

10. Income Taxes

The Company has no provision for current income tax in 2022, 2021 and 2020 due to its gross loss and net taxable loss positions. The Company's interest income from bank deposits is subject to final tax.



The reconciliation of provision for income tax computed at the statutory income tax rate to provision for income tax shown in the statements of comprehensive income follows:

	2022	2021	2020
Income tax at statutory tax rate	(P1,067,974)	(P416,456)	(P243,875)
Additions to (reductions from)			
income tax			
resulting from:			
Change in unrecognized			
deferred income tax assets	1,067,995	416,499	243,912
Income already subjected to final			
tax	(21)	(43)	(37)
	P-	P-	P-

On September 30, 2020, the Bureau of Internal Revenue (BIR) issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of Bayanihan to Recover as One Act” which states that the NOLCO incurred for taxable years 2021 and 2020 can be carried over and claimed as deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As of December 31, 2022, the Company has incurred NOLCO in taxable year 2022 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2019	2020-2022	P1,399,638	P1,399,638	P-	P-
2022	2023-2025	5,339,977	-	-	5,339,977
		P6,739,615	P1,399,638	P-	P5,339,977

As of December 31, 2022, the Company has incurred NOLCO in taxable year 2021 and 2020 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover as One Act, as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2020	2021-2025	P813,040	P-	P-	P813,040
2021	2022-2026	2,082,495	-	-	2,082,495
		P2,895,535	P-	P-	P2,895,535

The Company did not recognize deferred income tax asset on the carryforward benefits of unused NOLCO, since management assessed that it is not probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized in the future.



11. Basic/Diluted Losses Per Share

	2022	2021	2020
Net loss for the year	(P5,339,871)	(P2,082,278)	(P812,916)
Divided by weighted average number of common shares	992,497,120	992,497,120	992,497,120
Basic/diluted losses per share	(P0.005)	(P0.002)	(P0.001)

As of December 31, 2022, 2021 and 2020, the Company has no potential dilutive shares. Therefore, the basic and diluted losses per share are the same as of those dates.

12. Segment Information

In 2022, 2021 and 2020, the Company has only one reportable segment since the Company has ceased to engage in the business of mining, oil, petroleum, industrial development, mineral processing and other related activities. The primary and secondary purposes of the Company has been amended from mining to holding (see Note 1).

Management monitors the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net income or loss and is measured consistently with the total comprehensive income in the financial statements.

The Company's assets are located in the Philippines (i.e., one geographical location). Therefore, geographical segment information is no longer presented.

13. Financial Instruments and Financial Risk Management Objectives and Policies

The Company's principal financial instruments consist of cash in bank and due to related parties. The main purpose of these financial instruments is to fund the Company's operations. The Company has other financial instruments such as accrued expenses which arise directly from its operations.

The carrying values of the Company's financial asset and liabilities per category are as follows:

	2022	
	Financial asset at amortized cost	Financial liabilities at amortized cost
Cash in bank	P63,313	P-
Accrued expenses	-	486,383
Due to related parties	-	8,671,755
	P63,313	P9,158,138

	2021	
	Financial asset at amortized cost	Financial liabilities at amortized cost
Cash in bank	P139,047	P-
Accrued expenses	-	175,000
Due to related parties	-	3,335,955
	P139,047	P3,510,955



The BOD has overall responsibility for the establishment and oversight of the Company's risk management framework. The Group's risk management policies are established to identify and manage the Company's exposure to financial risks, to set appropriate transaction limits and controls, and to monitor and assess risks and compliance to internal control policies. Risk management policies and structure are reviewed regularly to reflect changes in market conditions and the Company's activities.

The main risks arising from the use of financial instruments are credit risk and liquidity risk. The Company's BOD reviews and approves the policies for managing each of these risks and they are summarized below:

Credit Risk

Credit risk represents the loss that the Company would incur if counterparties fail to perform their contractual obligations. The Company established controls and procedures on its credit policy to determine and monitor the credit worthiness of counterparties.

With respect to the credit risk from the Company's cash in bank, the exposure arises from the default of the counterparty. The Company's maximum exposure to credit risk is equal to the carrying amount of its cash in bank amounting to ₱63,313 and ₱139,047 as of December 31, 2022 and 2021, respectively.

Cash in bank are neither past due nor impaired and assessed by the Company as high quality financial assets as these are deposited with reputable bank duly approved by the BOD.

The Company has an assessment of ECL for its cash in bank. As of December 31, 2022 and 2021, the ECL relating to the said financial asset is minimal as these are deposited in reputable bank which are of good standing and are considered to have lower credit risk.

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's objectives to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking adverse effect to the Company's credit standing.

The Company manages liquidity risk by maintaining a balance between continuity of funding and flexibility. As part of its liquidity risk management, the Company regularly evaluates its projected and actual cash flows.

The following summarize the Company's financial asset that can be used to manage its liquidity risk and the maturity profile of the Company's financial liabilities as of December 31, 2022 and 2021 based on contractual undiscounted payments:

	2022		Total
	On Demand	Within 1 Year	
Financial asset at amortized cost:			
Cash in bank	₱63,313	—	₱63,313
Cash on hand	100,000	—	100,000
	163,313	—	163,313
Financial liabilities at amortized cost:			
Accrued expenses*	—	482,383	482,383
Due to related parties	8,671,755	—	8,671,755



	8,671,755	482,383	9,154,138
Net Outflows	(P8,508,442)	(P482,383)	(P8,990,825)
<i>*excluding withholding tax amounting to P4,000</i>			
	2021		
	On Demand	Within 1 Year	Total
Financial asset at amortized cost:			
Cash in bank	P139,047	P—	P139,047
Cash on hand	—	—	—
Financial liabilities at amortized cost:			
Accrued expenses	—	175,000	175,000
Due to related parties	3,335,955	—	3,335,955
	3,335,955	175,000	3,510,955
Net Outflows	(P3,196,908)	(P175,000)	(P3,371,908)

Fair Values of Financial Instruments

The Company's financial asset and financial liabilities approximate their fair values due to the short-term nature and/or maturity as of December 31, 2022 and 2021.

Fair Value Hierarchy

Cash in bank, accrued expenses and due to related parties are classified under Level 3 category under the fair value hierarchy. There were no transfers between levels in the fair value hierarchy in 2022 and 2021.

14. Supplementary Information Required Under Revenue Regulations (R.R.) No. 15-2010

In compliance with the requirements set forth by R.R. No. 15-2010, hereunder are the information on taxes, duties and license fees paid or accrued during the taxable year 2022:

VAT

The Company is a VAT-registered company with no VAT output tax declaration for the year ended December 31, 2022. The Company has no sales subject to VAT of 12% for the year ended December 31, 2022.

Taxes and Licenses

This includes all other taxes, local and national, including license and permit fees lodged under "Taxes and licenses", which is presented under "General and administrative expenses" line item in the 2022 statement of comprehensive income.

National:	
PSE annual listing fee	P250,000
BIR annual registration fee	500
Local:	
Permits and licenses	260,858
	P511,358



Withholding Taxes

Withholding taxes paid and accrued by the Company in 2022 are as follows:

	Paid	Accrued
	₱–	₱–
Withholding taxes on compensation and benefits		
EWT	(9,263)	(4,000)
	<u>(₱9,263)</u>	<u>(₱4,000)</u>

Tax Assessments and Contingencies

The Company has no tax cases under preliminary investigation nor litigation and/or prosecution in courts or bodies outside of the administration of BIR as of December 31, 2022.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
Vulcan Industrial & Mining Corporation
6th Floor, Quad Alpha Centrum
125 Pioneer St., Mandaluyong City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Vulcan Industrial & Mining Corporation as at December 31, 2022 and 2021, and for each of the three years in the period ended December 31, 2022, included in this Form 17-A, and have issued our report thereon dated April 11, 2023. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Financial Statements and Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-097-2020, November 27, 2020, valid until November 26, 2023

PTR No. 9564637, January 3, 2023, Makati City

April 11, 2023



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
Vulcan Industrial & Mining Corporation
6th Floor, Quad Alpha Centrum
125 Pioneer St., Mandaluyong City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Vulcan Industrial & Mining Corporation (the Company) as at December 31, 2022 and 2021 and for each of the three years in the period ended December 31, 2022, and have issued our report thereon dated April 11, 2023. Our audits were made for the purpose of forming an opinion on the basic 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, are 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 the purpose 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 financial statements prepared in accordance with PFRS. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2022 and 2021 and for each of the three years in the period ended December 31, 2022 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Eleanore A. Layug

Partner

CPA Certificate No. 0100794

Tax Identification No. 163-069-453

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 100794-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-097-2020, November 27, 2020, valid until November 26, 2023

PTR No. 9564637, January 3, 2023, Makati City

April 11, 2023



VULCAN INDUSTRIAL & MINING CORPORATION
INDEX TO THE FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
AS OF DECEMBER 31, 2022

COMPANY FINANCIAL STATEMENTS

Statements of Financial Position as of December 31, 2022 and 2021

Statements of Comprehensive Income for the periods December 31, 2022, 2021 and 2020

Statements of Changes in Capital Deficiency for the periods December 31, 2022, 2021 and 2020

Statements of Cash Flows for the periods December 31, 2022, 2021 and 2020

Notes to Financial Statements

SUPPLEMENTARY SCHEDULES

- I. Schedules required by Annex 68-J:
 - A. Financial Assets
 - B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
 - C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
 - D. Long-Term Debt
 - E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)
 - F. Guarantees of Securities of Other Issuers
 - G. Capital Stock
- II. Reconciliation of Retained Earnings Available for Dividend Declaration (Annex 68-D)
- III. Schedule of Financial Soundness Indicators (Annex 68-E)
- IV. Map showing the relationships of the Companies within the Group

VULCAN INDUSTRIAL & MINING CORPORATION
SCHEDULE A - FINANCIAL ASSETS
DECEMBER 31, 2022

Name of issuing entity and association of each issue	Number of shares or principal amounts of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at end of reporting period	Income received and accrued
<i>Cash in Bank</i> Eastwest Banking Corporation		₱63,313	₱63,313	₱106

VULCAN INDUSTRIAL & MINING CORPORATION
SCHEDULE B - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS,
EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS
(OTHER THAN RELATED PARTIES)
DECEMBER 31, 2022

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected	Amounts Written off	Current	Not Current	Balance at end of period
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—Not applicable—

VULCAN INDUSTRIAL & MINING CORPORATION
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES
WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2022

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected/ Settlements	Amounts Written off	Current	Not Current	Balance at end of period
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–Not applicable–

VULCAN INDUSTRIAL & MINING CORPORATION
SCHEDULE D - LONG-TERM DEBT
DECEMBER 31, 2022

Title of Issue and type of obligation	Amount authorized by: Indenture	Amount shown under the 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
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—Not applicable—

VULCAN INDUSTRIAL & MINING CORPORATION
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2022

Name of Related Party	Balance at beginning of period	Balance at end of period
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—Not applicable—

VULCAN INDUSTRIAL & MINING CORPORATION
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2022

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee
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—Not applicable—

VULCAN INDUSTRIAL & MINING CORPORATION
SCHEDULE G - CAPITAL STOCK
DECEMBER 31, 2022

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, conversions and other rights	Number of shares held by		
				Related parties	Directors, officers and employees	Others
Common Shares at ₱1 par value	4,000,000,000	992,497,120	–	228,552,783	4,238,120	759,706,217

VULCAN INDUSTRIAL & MINING CORPORATION
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND
DECLARATION (ANNEX 68-D)
AS OF DECEMBER 31, 2022

Deficit at January 1, 2022 (P995,869,028)

Add: Net income (loss) actually earned/realized during the period

Net loss during the period closed to Retained Earnings (5,339,871)

Net loss actually earned/realized during the period (5,339,871)

TOTAL RETAINED EARNINGS AVAILABLE FOR DIVIDEND
AS OF DECEMBER 31, 2022

P-

**The amount is zero since the reconciliation results to a deficit of P1,001,208,899 as at December 31, 2022.*

VULCAN INDUSTRIAL & MINING CORPORATION
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS (ANNEX 68-E)
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Ratio	Formula	2022	2021
Liquidity and Solvency Ratios:			
Current ratio	Total Current Assets Divided by: Total Current Liabilities	0.04:1	0.04:1
Quick ratio	(Cash + Receivables) Divided by: Total Current Liabilities	0.02:1	0.04:1
Solvency ratio	(Net Income + Depreciation) Divided by: Total Liabilities	(0.58:1)	(0.59:1)
Financial Leverage Ratios:			
Asset to equity ratio	Total Assets Divided by: Total Equity	(0.05:1)	(0.04:1)
Debt ratio	Total Liabilities Divided by: Total Assets	20.52:1	25.25:1
Debt to equity ratio	Total Liabilities Divided by: Total Equity	(1.05:1)	(1.04:1)
Interest coverage ratio	Net Income Before Tax Divided by: Interest Expense	–	–
Price earnings ratio	Current Share Price Divided by: Earnings Per Share	148.69:1	598.86:1
Profitability Ratios:			
Return on assets	Net Income Before Tax Divided by: Total Assets	(1,196%)	(1,498%)
Return on equity	Net Income Before Tax Divided by: Total Equity	(61%)	(62%)
Gross profit margin	Gross Income Divided by: Net Sales	0%	0%
Net profit margin	Net Income Divided by: Net Sales	0%	0%

VULCAN INDUSTRIAL & MINING CORPORATION
MAP SHOWING THE RELATIONSHIPS OF THE COMPANIES WITHIN
THE GROUP
AS OF DECEMBER 31, 2022
PURSUANT TO REVISED SRC RULE 68

–Not applicable–

Note: The Company does not have any subsidiary or associate as of December 31, 2022

Annex A: Reporting Template

(For additional guidance on how to answer the Topics, organizations may refer to Annex B: Topic Guide)

Contextual Information

Company Details	
Name of Organization	VULCAN INDUSTRIAL & MINING CORPORATION
Location of Headquarters	6 th Floor, Quad Alpha Centrum, 125 Pioneer Street, Mandaluyong City, Philippines
Location of Operations	
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	Vulcan Industrial & Mining Corporation (VUL)
Business Model, including Primary Activities, Brands, Products, and Services	Because the Company decided to exit the mining industry, it has had zero assets since 2018-. Hence, the Company has had no products and services since.
Reporting Period	January to December 2022
Highest Ranking Person responsible for this report	Hilario G. Pagautitan-Chairman/President/CEO

**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. ¹
<p>The company has had no operations in the past years and has waived its mining claims as of December 31, 2018. This report focuses on its care and maintenance during this period of non-operation, and material topics were assessed based on existing company policies.</p>

¹ See [GRI 102-46](#) (2016) for more guidance.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	106	PhP
Direct economic value distributed:		
a. Operating costs	5,339,871	PhP
b. Employee wages and benefits	0	PhP
c. Payments to suppliers, other operating costs	175,340	PhP
d. Dividends given to stockholders and interest payments to loan providers	0	PhP
e. Taxes given to government	307,511,233 58	PhP
f. Investments to community (e.g. donations, CSR)	0	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
<i>Since the company has no operation, no employees and no income, its expenses are mainly for care and maintenance of the head office which is very minimal as it shares office space with affiliates.</i>	<i>Stockholders</i>	<i>Management is committed to finding other business opportunities to increase shareholder value.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Although expenses are minimal, the company may incur liabilities if no income will be realized in the coming years.</i>	<i>Stockholders</i>	<i>The company can rely on advances from affiliates but will continue to exert all efforts to find other business opportunities to create shareholder value.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities are identified especially with the COVID 19 crisis being experienced by the country and the whole world.</i>	<i>Stockholders Government</i>	<i>The company will continue to look for solutions to enable it to weather any future economic downturn.</i>

Climate-related risks and opportunities²

Governance	Strategy	Risk Management	Metrics and Targets
<i>Since the company has no operations, it is not exposed to climate-related risks.</i>	<i>Since the company has had no operations for the last five years, the actual and potential impacts of climate-related risks and opportunities, if any, to the organization's, business strategy and financial planning are considered immaterial.</i>	<i>The company has no material climate-related risks but during its operational period the company complied with the maintenance of environmental trust fund as required by the DENR pursuant to the relevant mining laws.</i>	<i>At present the Company has no formal climate-related risk strategies and metrics. Nonetheless, the Company will consider adopting a formal enterprise risk management program once it undertakes business activities in the future.</i>

Procurement Practices - I

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	Not material	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>Since the company has no operation, it has neither direct utilization of raw materials nor does it procure much supplies, except office supplies.</i>	<i>The effect on stakeholders is not material.</i>	<i>Management applies conventional business measures in monitoring and controlling procurement of supplies.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Since the company has no operation, it has neither direct utilization of raw materials nor does it procure much supplies, except office supplies.</i>	<i>The effect on stakeholders is not material.</i>	<i>VUL commits itself to strictly monitor procurement practices.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach

² Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

<i>Reduction of procurement costs</i>	<i>Employees Stockholders</i>	<i>VUL commits itself to strictly monitor procurement practices.</i>
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Anti-corruption

Training on Anti-corruption Policies and Procedures - **Mostly not applicable. The company has no employees and under care and maintenance mode.**

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	N/A	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	N/A	%
Percentage of directors and management that have received anti-corruption training	16	100%
Percentage of employees that have received anti-corruption training	N/A	%

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>There is no significant impact because the company has no operations and no employees.</i>	<i>Employees Stockholders Government</i>	<i>The company has a -code of business conduct & ethics that the employees and officers are expected to comply. As management understands that the matter is a sensitive issue, VUL also has a whistleblowing policy in place including its procedures to create a non-hostile environment in reporting such incidents.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified.</i>	<i>Employees Stockholders Government</i>	<i>The company has a code of business conduct & ethics that the employees and officers are expected to comply with.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach

<i>No significant opportunities identified.</i>	<i>Employees Government</i>	<i>The company has a code of business conduct & ethics that the employees and officers are expected to comply with.</i>
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Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined 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>As per company policy, the company will commence appropriate disciplinary actions on erring employees. It does not tolerate corrupt acts.</i>	<i>Employees Stockholders Government</i>	<i>The company has a code of business conduct & ethics that the employees are expected to comply with. As management understands that the matter is a sensitive issue, VUL also has a whistleblowing policy in place including its procedures to create a non-hostile environment in reporting such incidents.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>The company has no employees due to non-operation, no significant risks are identified.</i>	<i>Employees Stockholders Government</i>	<i>The company has a code of business conduct & ethics that the employees are expected to comply with.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>The company has no employees due to non-operation, hence no identifiable significant opportunities.</i>	<i>Employees Stockholders Government</i>	<i>The company has a code of business conduct & ethics that the employees are expected to comply with.</i>

ENVIRONMENT

Resource Management

Energy consumption within the organization: The company has no operations and no employees. It shares office space with affiliates.

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

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	0	GJ
Energy reduction (LPG)	0	GJ
Energy reduction (diesel)	0	GJ
Energy reduction (electricity)	0	kWh
Energy reduction (gasoline)	0	GJ

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>The Company has no operations and no employees. Energy consumption is very minimal and limited to the use of computers and printing of quarterly and annual reports for compliance with regulatory requirements and corporate housekeeping. It shares office space with affiliates that use power supplied by MERALCO.</i>	<i>MERALCO Government</i>	<i>VUL will continue to find ways to minimize energy consumption.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach

<i>Since there is no operation and no employees, the risk is insignificant for energy consumption.</i>	<i>MERALCO Government</i>	<i>Management will continuously find ways to minimize energy usage.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Finding ways to save on energy costs will result to reduced company's expenses.</i>	<i>MERALCO Government</i>	<i>Management will continuously find ways to minimize energy usage.</i>

Water consumption within the organization -- The company has no operations and no employees. It shares office space with affiliates.

Disclosure	Quantity	Units
Water withdrawal		Cubic meters
Water consumption		Cubic meters
Water recycled and reused		Cubic meters

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>The Company has no operations and no employees. Its activities are limited to the use of computers and printing of quarterly and annual reports for compliance with regulatory requirements and corporate housekeeping. It does not utilize water.</i>	<i>Community Government</i>	<i>Management will consider efficient water use programs for its future business activities.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Since there is no operation and no employees, no significant risks are identified.</i>	<i>Community Government</i>	<i>Management will consider efficient water use programs for its future business activities.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach

<i>No significant opportunities identified.</i>	<i>Community Government</i>	<i>Management will consider efficient water use programs for its future business activities.</i>
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Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume	N/A	
• renewable		kg/liters
• non-renewable		kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	N/A	%

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>VUL has no operation, and therefore, does not use any raw materials.</i>	<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified.</i>	<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified.</i>	<i>Not applicable</i>	<i>Not applicable</i>

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine) - The company currently has no assets.

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	0	
Habitats protected or restored	0	ha
IUCN ³ Red List species and national conservation list species with habitats in areas affected by operations	0	

³ International Union for Conservation of Nature

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>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>

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)	0	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
<i>VUL has no operation and no employees, hence there is no impact relating to air emission.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

Air pollutants

Disclosure	Quantity	Units
NO _x		kg
SO _x		kg
Persistent organic pollutants (POPs)		kg
Volatile organic compounds (VOCs)		kg
Hazardous air pollutants (HAPs)		kg
Particulate matter (PM)		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>VUL has no operation and no employees, hence there is no impact relating to air pollutants.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	0	kg
Reusable	0	kg
Recyclable	0	kg
Composted	0	kg
Incinerated	0	kg
Residuals/Landfilled	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>VUL has no operation and no employees, hence there is no impact relating to solid waste.</i>	<i>Not Applicable</i>	<i>W Not Applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

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>VUL has no operation and no employees, hence there is no impact relating to hazardous waste.</i>	<i>Not Applicable</i>	<i>Not Applicable?</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	0	Cubic meters
Percent of wastewater recycled	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>VUL has no operation and no employees, hence there is no impact relating to effluents.</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

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	N/A	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	N/A	#
No. of cases resolved through dispute resolution mechanism	N/A	#

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>Since the company has no operations in the past years and no</i>	<i>Community</i>	<i>During its period of operations, VUL strived to ensure that the environmental</i>

<i>employees, VUL has not violated any environmental laws and regulations that directly impact the environment.</i>	<i>Employees Government</i>	<i>impact of its business operations is mitigated and/or minimized and strictly abides by the regulatory standards and policies. It will continue its adherence to such standards and policies in its future business activities.</i>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>No significant risks identified</i>	<i>Community Employees Government</i>	<i>The company will continue to abide with the environmental laws and regulations.</i>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>No significant opportunities identified</i>	<i>Community Employees Government</i>	<i>The company will continue to abide with the environmental laws and regulations.</i>

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

The company has no operation and no employees for the past year.

Disclosure	Quantity	Units
Total number of employees ⁴		
a. Number of female employees	0	#
b. Number of male employees	0	#
Attrition rate ⁵	0	rate
Ratio of lowest paid employee against minimum wage	0	ratio

⁴ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁵ Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

Employee benefits - The company has no operation and no employees for the past year but has the following policy on 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	N/A	N/A
PhilHealth	Y	N/A	N/A
Pag-ibig	Y	N/A	N/A
Parental leaves	Y	N/A	N/A
Vacation leaves	Y	N/A	N/A
Sick leaves	Y	N/A	N/A
Medical benefits (aside from PhilHealth))		N/A	N/A
Housing assistance (aside from Pag-ibig)		N/A	N/A
Retirement fund (aside from SSS)	N	N/A	N/A
Further education support	N	N/A	N/A
Company stock options	N	N/A	N/A
Telecommuting	Y	N/A	N/A
Flexible-working Hours	Y	N/A	N/A
(Others)		N/A	N/A

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Employee benefits directly impact employee performance and morale.</i>	<i>The company has always complied with the directives of the SSS, Philhealth and Pag-ibig with regard to mandatory monthly company contributions and remittance of employee share.</i>
What are the Risk/s Identified?	Management Approach
<i>The company has no operations and no employees, but has always complied with mandatory benefits required by law during its period of operation. Hence, there is no significant risk identified.</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>No significant opportunities identified.</i>	<i>Not applicable</i>

Employee Training and Development-Not applicable

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees		hours

b. Male employees		hours
Average training hours provided to employees		
a. Female employees		hours/employee
b. Male employees		hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>VUL has no operation and no employees, hence there is no significant- impact.</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Labor-Management Relations

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

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>VUL has no operation and no employees, hence there is no significant- impact.</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Diversity and Equal Opportunity – Not applicable

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

**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
<i>VUL has no operation and no employees, and under care and maintenance mode only. Hence, there is no significant impact.</i>	<i>Criteria for employment and promotion focus mainly on the employee's ability to do his/her assigned work.</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Workplace Conditions, Labor Standards, and Human Rights – Not applicable

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	0	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	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>VUL has no operation and no employees. Hence, there is no significant impact.</i>	
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Labor Laws and Human Rights

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

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	N	
Child labor	N	
Human Rights	N	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>VUL has no operation and no employees. Hence, there is no significant impact.</i>	<i>Although there is no specific written company policy, management adheres to the relevant child labor and human rights laws.</i>
What are the Risk/s Identified?	Management Approach
<i>VUL has no operation and no employees. Hence, there is no significant impact.</i>	<i>Although there is no specific written company policy, management adheres to the relevant child labor and human rights laws.</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Being compliant with labor laws will make company attractive to potential employees. It will also foster loyalty within the organization.</i>	<i>Although there is no specific written company policy, VUL will always adhere to the relevant child labor and human rights laws.</i>

Supply Chain Management

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

The company have no operations and no employees, and under care and maintenance mode while it evaluates possible business opportunities. At present, it only purchases office supplies which does not necessitate an accredited supplier.

Do you consider the following sustainability topics when accrediting suppliers? N/A

Topic	Y/N	If Yes, cite reference in the supplier policy
Environmental performance		
Forced labor		
Child labor		
Human rights		
Bribery and corruption		
What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach	

<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Relationship with Community

Significant Impacts on Local Communities - Not applicable

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	Mitigating measures (if negative) or enhancement measures (if positive)

**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
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach

Not applicable	Not applicable
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Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Not applicable		Not applicable

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Not applicable	Not applicable
What are the Risk/s Identified?	Management Approach
Not applicable	Not applicable
What are the Opportunity/ies Identified?	Management Approach
Not applicable	Not applicable

Health and Safety

Disclosure	Quantity	Units
No. of substantiated 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 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
Not applicable	Not applicable
What are the Risk/s Identified?	Management Approach
Not applicable	Not applicable
What are the Opportunity/ies Identified?	Management Approach
Not applicable	Not applicable

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated 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
<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Customer privacy

Disclosure	Quantity	Units
No. of substantiated 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
<i>Not applicable</i>	<i>Not applicable</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

Data Security

Disclosure	Quantity	Units
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No. of data breaches, including leaks, thefts and losses of data	0	#
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What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Since the company has no operations, no employees and no customers, there is no significant impact relating to data security.</i>	<i>The company believes in data privacy protection and will register pursuant to the Data Privacy Act once it undertakes business activities and hires employees. It has already appointed a Data Privacy Officer.</i>
What are the Risk/s Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>
What are the Opportunity/ies Identified?	Management Approach
<i>Not applicable</i>	<i>Not applicable</i>

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	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Since the company has no operations and no employees in the past year, it has not produced any product or offered any services.	In the event that the company conducts business activities and realizes income, VUL would be able to make significant contributions to local communities.	Until the company begins operations, it cannot make any significant contributions to help alleviate poverty in the local communities.	The company will find ways to help the poor and the marginalized in the barangay communities and consider social amelioration programs in its future business activities.

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