

COVER SHEET

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S.E.C. Registration Number

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

(Company's Full Name)

5 F F I V E E - C O M C E N T E R , P A L M
C O A S T A V E N U E C O R . P A C I F I C
D R I V E , M A L L O F A S I A , P A S A Y
C I T Y

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

ELMER B. SERRANO

Contact Person

(632) 8403-0813 local 2501

Company Telephone Number

0 9

Month

3 0

Day

Fiscal Year

1 7 - Q

FORM TYPE

Month

Day

Annual Meeting

N/A

Secondary LicenseType, If Applicable

last Wednesday of April

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE  
SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: **30 September 2023**

2. Commission Identification No. **PW0000115A**

3. BIR Tax Identification No. **000-154-572**

4. Exact name of issuer as specified in its charter:

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION**

5. Province, country or other jurisdiction of incorporation or organization: **Philippines**

6. Industry Classification Code

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(SEC Use Only)

7. Address of registrant's principal office:

**5F Five E-com Center, Palm Coast Avenue cor. Pacific Drive  
Mall of Asia Complex, Pasay City**

Postal Code

**1300**

8. Issuer's telephone number, including area code:

**(632) 84030813 local 25001**

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

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

Title of each Class

Number of shares of common  
stock outstanding and amount  
of debt outstanding

**Common Stock, PHP1 par value**

**3,559,532,774**

9. Are any or all of the securities listed on a Stock Exchange?

Yes  No

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

**Philippine Stock Exchange**

**Common Stock**

10. Indicate by check whether the registrant:

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

Yes  No

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

Yes  No

## PART I – FINANCIAL INFORMATION

### Item 1. Financial Statements

The following financial statements are integrally appended hereto and form part of this report:

- Annex A - Unaudited Consolidated Statements of Financial Position
- Annex B - Unaudited Consolidated Statements of Comprehensive Income
- Annex C - Unaudited Consolidated Statements of Changes in Stockholders' Equity
- Annex D - Unaudited Consolidated Statements of Cash Flows

### Item 2. Management Discussion and Analysis

#### A. Results of Operations and Changes in Financial Condition

The table below shows the consolidated results of operations of Atlas Consolidated Mining and Development Corporation (“AT” or “Atlas Mining” or the “Parent Company”) and its subsidiaries (collectively, the “Group”) for the nine-month period ending 30 September 2023 versus the same period in 2022:

<i>(amounts in PHP millions)</i>	<b>30-Sep-2023</b>	<b>30-Sep-2022</b>	<b>% Change</b>
Consolidated net income/(loss)	880	3,069	-71%
Consolidated income/(loss) from operations	1,556	583	167%
Consolidated gross revenues	14,519	13,307	9%
Consolidated net revenues	13,779	12,692	9%
Costs and operating expenses	12,223	12,109	1%
Net income/(loss) attributable to Equity holders of the parent	880	3,069	-71%

Atlas Consolidated Mining and Development Corporation (“Atlas Mining”) posted revenues of Php14.5 billion, a 9% growth from last year. Net income ended at Php880 million for the third quarter of 2023.

Copper metal price stood at \$3.90/lb in the third quarter of 2023, lower by 6% from last year of \$4.15/lb. However, gold price had increased to USD 1,935/ounce from USD 1,827/ounce in the same period of 2022.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Php4.92 billion for the third quarter of 2023 compared to Php4.37 billion in the same period of 2022.

*Equity in net income (loss) of associates*, this represents the Parent Company’s share in the results of operations of Berong Nickel Corporation (BNC), Php32 million net loss in the third quarter of 2023 as compared to PHP87 million net income in the same period last year.

*Finance charges* (4% of net revenues) decreased by 18% due to settlements of loans and lower amortization of debt issue cost.

*USD:PHP Exchange rate* closed at USD1.00:PHP56.575 as at 30 September 2023 versus USD1.00:PHP55.755 as at 31 December 2022. This triggered the recognition of *Foreign exchange loss-net* of PHP63 million primarily from the restatement of receivables, loans and other payables.

*Mark to market gain/(loss) on derivatives-net*, this represents accounting valuation of copper price hedges.

*Interest Income* of PHP14 million accounts for the interest earned on cash in bank and time deposits.

*Other income (charges)-net* of PHP104 million includes sales of scrap materials net of bank and other Charges.

*Provision for Income Tax* for the period of PHP339 million was based on the 25% regular corporate income tax. *Deferred Income Tax* of PHP110 million resulted mainly from future tax provision impact of unrealized forex gains/loss on foreign currency denominated accounts.

### **Changes in Financial Condition**

The succeeding discussions pertain to the consolidated financial condition of the Group as of 30 September 2023 vis-à-vis that as of 31 December 2022 as follows:

The decrease in *Cash and Cash Equivalents* arose mainly from payments of loan to Chinabank and suppliers and placed in time deposit accounts with various maturity periods reckoned from the date of placement. *Short-term investments* (154%) increased to Php793 million due to additional time deposit placed as of the third quarter of 2023. *Receivable-net* of Php160 million consists mostly of trade receivables arise from its shipments of copper concentrate containing copper and gold. *Inventories* consists of mine products which include copper concentrate containing copper and gold, and materials and supplies which consists of consumable items and spare parts. *Prepayments and other current assets* of Php645 million, increased by 10% mostly consists of investment in pooled funds, deposits and advances to suppliers, creditable withholding taxes, and prepaid insurance.

Movement in *Intangible assets* of PHP202 million pertains to depletion of mining rights. *Property, plant and equipment-net* composed of mine development costs, machineries and equipment used in operations. Deferred tax assets pertain to unrealized foreign exchange losses, provision for impairment and liability for mine rehabilitation. *Other noncurrent assets* increased by 59%, consist significantly of input VAT from importations, deposit to suppliers for PPE items and other statutory funding requirements.

*Investment in Associate*, pertains to AT's ownership over BNC, TMMI, URHI, UNC and NRHI (the "Nickel Corporations"), decreased by 10% or PHP32 million representing its share in the net loss in Nickel Corporation's operations.

*Accounts Payable and accrued liabilities* increased by Php 42 million mainly consists of trade payables which include import and local purchases of equipment, inventories and various parts and supplies used in the operations, interest payable from accrued interest on bank loans and long-term debt and other interest-bearing, and government payables. *Income tax payable* of Php180 million pertains to the regular corporate income tax for the third quarter of 2023. *Leased Liability* pertains to the lease contracts recognized for office space.

*Long-term debt* (22% of total assets) decreased by 4% due to partial settlement of long-term loans to Chinabank. *Retirement benefits liability* pertains to provision of pension cost. *Liability for mine rehabilitation* composed of accretion of asset retirement obligation. *Deferred income tax liabilities* consist of the tax impact of temporary differences which are not taxable in the current year.

Movement in *Retained Earnings* of PHP880 million accounts for the net income for the period ended 30 September 2023. *Foreign currency translation reserve* relates to the impact of changes in foreign exchange rates.

### **Material Plans, Trends, Events or Uncertainties**

- During the period, CCC was able to pay down its obligations by another \$15 Million as of the third quarter of 2023.

## Key Performance Indicators

The key performance indicators of the Group are shown below:

	30-Sep-2023	31-Dec-2022
<b>Current/Liquidity Ratio</b>		
Current Ratio	0.56:1	0.59:1
<b>Solvency Ratios</b>		
Debt-to-Equity	0.56:1	0.59:1
Debt-to-Assets	0.34:1	0.35:1
Asset-to-Equity	1.67:1	1.70:1
Interest Rate Coverage	3.24:1	4.67:1
<b>Profitability Ratios</b>		
Return on Equity	1.98%	7.81%
Return on Sales	6.39%	19%
Return on Assets (Fixed Assets)	2.52%	4.82%

- a. Current Ratio  $\frac{\text{Current Assets}}{\text{Current Liabilities}}$
- b. Debt-to-Equity  $\frac{\text{Total Liabilities}}{\text{Total Stockholders' Equity Attributable to Equity Holders of Parent Company}}$
- c. Debt-to-Assets  $\frac{\text{Total Liabilities}}{\text{Total Assets}}$
- d. Asset-to-Equity  $\frac{\text{Total Assets}}{\text{Total Stockholders' Equity Attributable to Equity Holders of Parent Company}}$
- e. Interest Rate Coverage  $\frac{\text{Earnings Before Income Tax}}{\text{Interest Expense}}$
- f. Return on Equity  $\frac{\text{Net Income Attributable to Equity Holders of Parent Company as of the Quarter}}{\text{Average Total Stockholders' Equity Attributable to Equity Holders of Parent Company}}$
- g. Return on Sales  $\frac{\text{Consolidated Net Income as of the Quarter}}{\text{Total Consolidated Net Revenues as of the Quarter}}$
- h. Return on Assets (Fixed Assets)  $\frac{\text{Net Income Attributable to Equity Holders of Parent}}{\text{Average Fixed Assets-Net}}$

## B. Liquidity and Capital Resources

The Group's consolidated cash flow as of 30 September 2023 is summarized below:

<i>(in PhP millions)</i>	Amount
Net cash flow provided by operating activities	2,970
Net cash flows used in investing activities	(3,471)
Net cash flows provided by financing activities	(787)
Net decrease in cash and cash equivalents	(591)

The Group is not required to present a segment report.

Except as already reported herein, there is no material event occurring subsequent to the close of the third quarter of 2023 that should be disclosed in this report.

The Group has no significant seasonality or cyclicity in its business operations that will have a material effect on its financial condition or results of operations.

The Group is not aware of (i) any uncertainties, trends, events or seasonal aspects that will significantly influence its liquidity or financial condition or the results of its operations; (ii) any high-probability event that will trigger direct or contingent financial obligation that is material to the Group; or (iii) any material off-balance sheet transactions that occurred as of the third quarter of the year.

### C. Financial Risk Management Objectives and Policies

The Group's main financial instruments are cash, short-term investments, investment in pooled funds, quoted equity instrument, investment in unit investment trust fund and refundable deposits under other noncurrent assets, bank loans, long-term debts and other interest-bearing liabilities, and derivatives. It has various other financial assets and liabilities such as receivables, and accounts payable, contract liabilities and accrued liabilities, which mainly arise from the Group's operations.

The main risks arising from the Group's financial instruments are market risk, credit risk, and liquidity risk. The BOD reviews and adopts relevant policies for managing each of these risks and these are summarized onto the succeeding paragraphs (All figures are in PHP thousands):

#### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in foreign currency exchange rates, interest rates, equity prices and other market changes.

#### Foreign currency risk

Foreign currency risk is that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group has foreign currency risk arising from its cash in banks, short-term investments, receivables, bank loans, accounts payable, contract liabilities and accrued liabilities except, long-term debt and derivatives. To mitigate the risk of incurring foreign exchange losses, foreign currency holdings are matched against the potential need for foreign currency in financing equity investments and new projects. The Group also uses foreign currency forwards to hedge its risk exposures.

As at 30 September 2023 and 31 December 2022, foreign currency-denominated assets and liabilities are as follows:

	30-Sep-2023 (Unaudited)			31-Dec-2022 (Audited)		
	Original Currency	Peso Equivalent		Original Currency	Peso Equivalent	
<b>Assets</b>						
Cash in banks	USD	698	39,500	USD	13,737	765,906
	JPY	257	97	JPY	202	85
	GBP	131	9,045	GBP	131	8,812
Short-term investments	USD	14,018	793,059	USD	5,592	311,782
Receivables	USD	28,849	1,632,104	USD	29,907	1,667,465
	JPY	-	-	JPY	-	-
	USD	43,565	2,464,663	USD	49,236	2,745,153
	GBP	131	9,045	GBP	131	8,812
	JPY	257	97	JPY	202	85

<u>Liabilities</u>						
Accounts payable and accrued expenses	USD	19,891	1,125,315	USD	16,526	921,407
	AUD	46	1,669	AUD	540	20,387
	EUR	-	-	EUR	-	-
	JPY	227,195	86,148	JPY	-	-
Long-term debt	USD	297,400	16,825,405	USD	312,400	17,417,862
Bank Loans	USD	-	-	USD	-	-
	<b>USD</b>	<b>317,291</b>	<b>17,950,720</b>	<b>USD</b>	<b>328,926</b>	<b>18,339,269</b>
	<b>JPY</b>	<b>227,195</b>	<b>86,148</b>	<b>JPY</b>	<b>0</b>	<b>0</b>
	<b>AUD</b>	<b>46</b>	<b>1,669</b>	<b>AUD</b>	<b>540</b>	<b>20,387</b>
	<b>EUR</b>	<b>-</b>	<b>-</b>	<b>EUR</b>	<b>0</b>	<b>0</b>
Net liabilities	<b>USD</b>	<b>273,726</b>	<b>15,486,057</b>	<b>USD</b>	<b>279,690</b>	<b>15,594,116</b>
Net assets	<b>GBP</b>	<b>131</b>	<b>9,045</b>	<b>GBP</b>	<b>131</b>	<b>8,812</b>
Net liabilities	<b>AUD</b>	<b>46</b>	<b>1,669</b>	<b>AUD</b>	<b>540</b>	<b>20,387</b>
Net assets	<b>JPY</b>	<b>226,938</b>	<b>86,051</b>	<b>JPY</b>	<b>202</b>	<b>85</b>
Net liabilities	<b>EUR</b>	<b>-</b>	<b>-</b>	<b>EUR</b>	<b>-</b>	<b>-</b>

As at 30 September 2023 and 31 December 2022, foreign exchange closing rates used in converting foreign currency-denominated assets and liabilities are as follows:

Currency	30-Sep-2023	31-Dec-2022
US\$	56.575	55.755
AU\$	36.535	37.802
JP¥	0.3792	0.417
EU€	59.901	59.554
GB£	69.170	67.439

There is no other impact on the Group's equity other than those already affecting the consolidated statement of comprehensive income.

### Commodity Price Risk

The Group's copper concentrate revenues are based on international commodity quotations (i.e., primarily on the LME) over which the Group has no significant influence or control.

This exposes the Group's results of operations to commodity price volatilities that may significantly impact its cash inflows. The Group enters into derivative transactions as a means to mitigate the risk of fluctuations in the market prices of its mine products. An analysis is made based on the assumption that copper prices move using the implied volatility based on one-year historical LME copper prices, with all other variables held constant.

Shown below is the Group's sensitivity to changes in the copper prices arising from its copper derivatives and trade receivables (subject to provisional pricing) in September 30, 2023 and December 31, 2022 as follows:

30-Sep-2023	
Change in Copper Prices	Effect on Income before Income Tax
Increase by 3%	PHP 413,248
Decrease by 3%	PHP (413,248)

31-Dec-2022	
Change in Copper Prices	Effect on Income before Income Tax
Increase by 3%	PHP 502,278
Decrease by 3%	PHP (502,278)

The rate used for the sensitivity analysis of changes in copper prices changed from 3% to 5% to reflect the actual monthly changes in copper prices to represent a more accurate sensitivity analysis on the commodity price risk.

There is no other impact on the Group's equity other than those already affecting the consolidated statement of comprehensive income.

### **Equity Price Risk**

Equity price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to equity price risk because of its investment in shares of stock of an entity listed in the local stock exchange, and its investment in unit investment trust fund, which are classified as financial asset at fair value through profit or loss. Management believes that the fluctuation in the fair value of financial asset at fair value through profit or loss and investment in pooled funds will not have a significant effect on the consolidated financial statements, and as such, did not present a sensitivity analysis.

### **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### *Cash in banks and short-term investments*

Credit risk from balances with banks and financial institutions is managed by the Group in accordance with its policies. Credit risk is mitigated by the short-term and/or liquid nature of its cash investments placed with approved financial institutions of high credit standing. The expected credit loss on the Group's cash in banks and short-term investments is calculated using the general approach.

#### *Trade receivables*

Customer credit risk is managed by the Group's policy, procedures, and control relating to customer credit risk management. The Group trades only with recognized creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures, short-term liquidity and financial position. In addition, outstanding trade receivable balances are regularly monitored on an ongoing basis, with the result that the Group's exposure to credit-impaired balances and bad debts is not significant. The Group's trade receivables are not subject to the recognition of expected credit loss since these are measured at fair value through profit or loss. At September 30, 2023 and December 31, 2022, the Group only had two customers that accounted for all trade receivables. The maximum exposure to credit risk for trade receivables at the reporting date is also the carrying value. The Group does not hold collateral as security.

#### *Other financial assets*

With respect to credit risk arising from the other financial assets of the Group, which comprise investment in pooled funds, quoted equity instrument, and investment in unit investment trust fund and refundable deposits under other noncurrent assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group limits its counterparty credit risk on these assets by dealing only with financial institutions with high credit ratings. The expected credit loss on the other financial assets of the Group measured at amortized cost is computed using the general approach.



	30-Sep-23 (Unaudited)	31-Dec-22 (Audited)
Cash and cash equivalents		
Cash in banks	349,353	941,044
Short-term investments	793,059	311,757
Receivables		
Trade	107,930	41,281
Nontrade	64,429	118,098
Interest	1,342	234
Advances to		
Related parties	17,830	17,830
Advances to Officers and employees	12,095	19,444
Other current asset		
Investment in pooled funds	350,783	352,512
Other noncurrent assets		
Investment in unit investment trust fund	32,877	31,576
Refundable security deposits	3,375	3,220
	<b>1,733,073</b>	<b>1,836,996</b>

#### Credit quality per class of financial assets

The credit quality by class of asset for the Group's financial assets as at September 30, 2023 and December 31, 2022 based on credit rating system follows:

#### 30 September 2023 (Unaudited)

	Neither Past due nor impaired High Grade	Past Due But Not Impaired	Impaired	Total
<b>Cash and cash equivalents</b>				
Cash in banks	349,353			349,353
<b>Short-term investments</b>	793,059			793,059
<b>Receivables</b>				
Trade	107,930			107,930
Nontrade		21,221	43,208	64,429
Interest	1,342			1,342
Advances to				
Related parties		17,830		17,830
Officers and employees		12,095		12,095
<b>Other current asset</b>				
Investment in pooled funds	350,783			350,783
<b>Other noncurrent assets</b>				
Investment in unit investment trust fund	32,877			32,877
Refundable security deposits	3,375			3,375
	<b>1,638,719</b>	<b>51,146</b>	<b>43,208</b>	<b>1,733,073</b>

**31 December 2022 (Audited)**

	Neither Past due nor impaired High Grade	Past Due But Not Impaired	Impaired	Total
<b>Cash and cash equivalents</b>				
Cash in banks	941,044			941,044
<b>Short-term investments</b>	311,757			311,757
<b>Receivables</b>				
Trade	41,281			41,281
Nontrade		46,993	71,105	118,098
Interest	234			234
Advances to				0
Related parties		17,830		17,830
Officers and employees		19,444		19,444
<b>Other current asset</b>				0
Investment in pooled funds	352,512			352,512
<b>Other noncurrent assets</b>				0
Investment in unit investment trust fund	31,576			31,576
Refundable security deposits	3,220			3,220
	<b>1,681,624</b>	<b>84,267</b>	<b>71,105</b>	<b>1,836,996</b>

The credit quality of the financial assets was determined as follows:

- Cash in banks, short-term investments and related interest receivables are assessed as high-grade since these are deposited in reputable banks, which have a low probability of insolvency.
- Trade receivables, which pertain mainly to receivables from sale of copper concentrate, are assessed as high-grade. These are assessed based on past collection experience of full settlement within two months after invoice date with no history of default.
- Nontrade receivables, which mainly pertain to receivables from the settlement of commodity swap transactions, and other billings not related to main operations, consist of past due but not impaired and impaired accounts.
- Advances to related parties are assessed as past due but not impaired since the Group still expects to collect the balance from its related parties.
- Advances to officers and employees, which pertain mainly to advances subject to payroll deduction, consist of both past due but not impaired, and impaired accounts.
- Investment in pooled funds is assessed as high grade since this is investment in a diversified market which have low probability of insolvency.
- Investment in unit investment trust fund is assessed as high grade since this is deposited in a reputable bank.
- Refundable deposits are assessed as high grade since these are still expected to be received after the completion/performance of the Group's contracts with various counterparties.

**Interest Rate Risk**

Management assessed that the Group is not exposed to interest rate fluctuations because the interest rates of bank loans, long-term debts and other interest-bearing liabilities are fixed.

**Concentration of Risk**

In 2023 and 2022, the Group's copper productions were sold to two customers. However, it has no significant concentration of credit risk since it can sell its copper concentrate to other third party customers. The Company continuously monitors the receivable of one customer resulting from the valuation of the provisionally-priced shipments at year end.

**Liquidity Risk**

Liquidity risk is the risk where the Group becomes unable to meet its payment obligations when it falls due under normal and stress circumstances. The Group's objective is to maintain a balance between

continuity of funding and flexibility through the use of bank loans. The Group also manages its liquidity risk on a consolidated basis based on business needs, tax, capital or regulatory considerations, if applicable, through numerous sources of finance in order to maintain flexibility.

The tables below of the Group, as well as financial assets considered by management as part of its liquidity risk management based on remaining undiscounted contractual obligations as at September 30, 2023 and December 31, 2022 follow:

The aging analyses and maturity profile of the Group's financial assets and liabilities are as follow:

**30 September 2023 (Unaudited)**

	On demand	Within one year	1 to < 3 years	> 3 years	Total
<b>Cash and cash equivalents</b>					
Cash in banks	349,353				349,353
Cash on hand	6,830				6,830
<b>Short-term investments</b>		793,059			793,059
<b>Receivables</b>					
Trade		107,930			107,930
Nontrade	64,429				64,429
Interest		1,342			1,342
Advances to					
Related parties	17,830				17,830
Officers and employees	12,095				12,095
<b>Other current asset</b>					
Investment in pooled funds		350,783			350,783
<b>Other noncurrent assets</b>					
Investment in unit investment trust fund				32,877	32,877
Refundable security deposits				3,375	3,375
	<b>450,537</b>	<b>1,253,114</b>	<b>-</b>	<b>36,252</b>	<b>1,739,903</b>
<b>Financial liabilities:</b>					
Accounts payable and accrued liabilities**		3,268,906			3,268,906
Long-term debt and other interest-bearing liabilities		1,630,800	14,514,296	-	16,145,096
Lease Liability		1,149	5,569		6,719
	<b>-</b>	<b>4,900,855</b>	<b>14,519,865</b>	<b>-</b>	<b>19,420,721</b>
	<b>450,537</b>	<b>(3,647,741)</b>	<b>(14,519,865)</b>	<b>36,252</b>	<b>(17,680,818)</b>

\*\* Excluding Government Payables

**31 December 2022 (Audited)**

	On demand	Within one year	1 to < 3 years	> 3 years	Total
<b>Cash and cash equivalents</b>					
Cash in banks	941,044				941,044
Cash on hand	6,113				6,113
<b>Short-term investments</b>		311,757			311,757
<b>Receivables</b>					-
Trade		41,281			41,281
Nontrade	118,098				118,098
Interest		234			234
Advances to					
Related parties	17,830				17,830
Officers and employees	19,444				19,444
<b>Other current asset</b>					-
Investment in pooled funds		352,512			352,512
<b>Quoted equity instrument</b>					-
<b>Other noncurrent assets</b>					-
Investment in unit investment trust fund				31,576	31,576
Refundable security deposits				3,220	3,220
	<b>1,102,529</b>	<b>705,784</b>	<b>-</b>	<b>34,796</b>	<b>1,843,109</b>
<b>Financial liabilities:</b>					
Accounts payable and accrued liabilities**		3,264,008			3,264,008
Long-term debt and other interest-bearing liabilities		1,672,650	15,692,247		17,364,897
Derivative liability		51,367			51,367
Lease Liability		2,684	5,569		8,253
	<b>-</b>	<b>4,990,709</b>	<b>15,697,816</b>	<b>-</b>	<b>(20,688,525)</b>
	<b>1,102,529</b>	<b>(4,284,925)</b>	<b>(15,697,816)</b>	<b>34,796</b>	<b>(18,845,416)</b>

\*\* Excluding Government Payables

**Fair Value of Financial instruments**

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments other than those with carrying amounts that are reasonable approximations of fair values as at September 30, 2023 and December 31, 2022:

	Carrying Values		Fair Values	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
<b>Financial Liabilities</b>				
Long-term debt and other interest-bearing liabilities:				
CBC	<b>9,021,723</b>	11,367,087	<b>9,021,723</b>	11,310,858
BDO	<b>6,112,803</b>	5,997,810	<b>6,112,803</b>	5,976,440
	<b>15,134,526</b>	17,364,897	<b>15,134,526</b>	17,287,298

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

**Cash in Banks, Short-term Investments and Receivables**

The carrying amounts of cash in banks, short-term investments and interest receivables approximate their fair value due to the relatively short-term maturities of these financial instruments.

Trade receivables are measured at fair value. Subsequent movements on provisionally priced trade receivables are being recognized in fair value gain/loss in the consolidated statement of comprehensive income. The fair value of provisionally priced trade receivables is determined by obtaining future prices of copper and gold and applying the projected prices to the outstanding trade receivables.

*Investment in Pooled funds*

The fair value of investment in pooled funds is determined by referencing the fund's portfolio with the fair value of other similar funds.

*Equity Instrument*

The fair value of quoted equity instrument is determined by reference to market bid quotes at the end of the reporting period and is carried at fair value.

*Investment in Unit Investment Trust Fund*

The fair value of the investment in unit investment trust fund is determined by the movements of its net asset value per unit, which is computed as the total market value of the assets, less fees, taxes, and other qualified expenses divided by total outstanding units.

*Accounts Payable, Contract Liability and Accrued Liabilities except Government Payables, Bank Loans and Other Current Liability*

The carrying amounts of accounts payable, contract liabilities and accrued liabilities excluding government payables, other current liability and bank loans approximate their fair values due to the relatively short-term maturities of these financial instruments.

*Long-term Debts and Other Interest-bearing Liabilities*

Fair value of long-term debt and other interest-bearing liabilities is estimated using the discounted cash flow methodology using the benchmark risk-free rates for similar types of long-term debt and other interest-bearing liabilities.

The fair value hierarchy of the financial assets and liabilities is presented in the following table:

**30 September 2023 (Unaudited)**

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Trade receivables		107,930		107,930
Investment in pooled funds	350,783			350,783
Investment in unit investment trust fund	32,877			32,877
<b>Total</b>	<b>383,660</b>	<b>107,930</b>		<b>491,590</b>
Liability for which fair values are disclosed:				
Long-term debt and other interest-bearing liabilities			(15,134,526)	(15,134,526)
<b>Total</b>			<b>(15,134,526)</b>	<b>(15,134,526)</b>

**31 December 2022 (Audited)**

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Trade receivables		41,281		41,281
Investment in pooled funds	352,512			352,512
Investment in unit investment trust fund	31,576			31,576
<b>Total</b>	<b>384,088</b>	<b>41,281</b>	<b>-</b>	<b>425,369</b>
Liability for which fair values are disclosed:				
Long-term debt and other interest-bearing liabilities			(17,287,298)	(17,287,298)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>(17,287,298)</b>	<b>(17,287,298)</b>

There were no transfers between levels of fair value measurement as at September 30, 2023 and December 31, 2022.

**D. Accounting Policies and Disclosures**Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for parcels of land, which are carried at revalued amounts, trade receivables, derivatives, investment in pooled funds, quoted equity instrument, and investment in unit investment trust fund which have been measured at fair value. The consolidated financial statements are presented in Philippine Peso, which is the presentation currency of the Group under Philippine Financial Reporting Standards (PFRSs). Based on the economic substance of the underlying circumstances relevant to Atlas Consolidated Mining and Development Corporation and Subsidiaries (collectively, the Group), the functional currencies of the Parent Company and its associates and subsidiaries is the Philippine Peso, except for CCC whose functional currency is the United States Dollar (US\$). All values are rounded to the nearest thousands (P=000), except when otherwise indicated.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with PFRSs.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at December 31, 2022 and 2021.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure or rights to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Parent Company. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets, liabilities and other components of equity while any gain or loss is recognized in the consolidated statement of comprehensive income. Any investment retained is recognized at fair value.

The financial statements of the subsidiaries are prepared for the same accounting period as the Parent Company using uniform accounting policies.

#### Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2022. The Group 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 consolidated financial statements of the Group.

- 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. The Group adopted the amendments beginning January 1, 2022.

- 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.

The amendments did not impact the consolidated financial statements because the Group has no mining projects which are currently under the development phase and are producing incidental mineral ores.

- 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.

#### Standard Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when these become effective.

#### *Effective beginning on or after January 1, 2023*

- *Amendments to PAS 1 and PFRS Practice Statement 2, Disclosure of Accounting Policies*

The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies, and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendments to the Practice Statement provide non-mandatory guidance. Meanwhile, the amendments to PAS 1 are effective for annual periods beginning on or after January 1, 2023. Early application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Group.

- *Amendments to PAS 8, Definition of Accounting Estimates*



The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

An entity applies the amendments to changes in accounting policies and changes in accounting estimates that occur on or after January 1, 2023 with earlier adoption permitted. The amendments are not expected to have a material impact on the Group.

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented for annual reporting periods on or after January 1, 2023.

#### *Effective beginning on or after January 1, 2024*

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed.

#### *Effective beginning on or after January 1, 2025*

- PFRS 17, *Insurance Contracts*

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

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

insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

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

On December 15, 2021, the FRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB.

PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

#### *Deferred effectivity*

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

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the Financial and Sustainability Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION**  
**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Amounts in Thousands, Except Number of Shares)

	Unaudited 30 Sep 2023	Audited 31 December 2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	356,184	947,157
Short-term investments	793,059	311,757
Receivable - net	160,418	125,782
Derivative assets	-	200,167
Inventories - net	1,035,565	1,053,628
Prepayments and other current assets	645,314	584,596
<b>Total Current Assets</b>	<b>2,990,540</b>	<b>3,223,087</b>
<b>Noncurrent Assets</b>		
Intangible assets, net	25,774,727	25,976,985
Property, plant and equipment - net	34,764,986	34,962,845
Available-for-sale (AFS) financial assets	-	-
Deferred tax assets	826,519	751,759
Deferred mine exploration costs	179,520	193,625
Other noncurrent assets	3,185,070	2,009,380
Investment in associate	298,773	331,121
<b>Total Noncurrent Assets</b>	<b>65,029,595</b>	<b>64,225,715</b>
<b>TOTAL ASSETS</b>	<b>68,020,135</b>	<b>67,448,802</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	3,465,215	3,423,326
Current portion of long-term debt	1,697,250	1,672,650
Income tax payable	180,093	318,179
Derivative liabilities	-	51,367
Lease Liability- Current	1,149	2,684
<b>Total Current Liabilities</b>	<b>5,343,707</b>	<b>5,468,206</b>
<b>Noncurrent Liabilities</b>		
Long-term debt – net of current portion	15,134,525	15,692,247
Retirement benefits liability	574,587	542,948
Liability for mine rehabilitation	65,746	64,793
Lease Liability- Non-Current	5,569	5,569
Deferred income tax liabilities	1,816,574	1,864,147
<b>Total Noncurrent Liabilities</b>	<b>17,597,001</b>	<b>18,169,704</b>
<b>Total Liabilities</b>	<b>22,940,708</b>	<b>23,637,910</b>

Forward

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION**  
**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF 30 SEPTEMBER 2023**  
**(Amounts in Thousands, Except Number of Shares)**

	<b>Unaudited</b>	<b>Audited</b>
	<b>30 Sep 2023</b>	<b>31 December 2022</b>
<b>Stockholders' Equity</b>		
Capital stock	3,559,533	3,559,533
Additional paid in capital	19,650,936	19,650,936
Subscription Receivable	(4,841,801)	(4,841,801)
Revaluation increment in land	320,217	320,217
Remeasurement gain on retirement	188,209	188,209
Foreign currency translation reserve	4,435,091	4,046,780
Retained earnings	21,790,509	20,910,285
Attributable to equity holders of the Parent Company	45,102,694	43,834,159
Minority interests		
Treasury Shares	(23,267)	(23,267)
<b>Total Stockholders' Equity</b>	<b>45,079,427</b>	<b>43,810,892</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>68,020,135</b>	<b>67,448,802</b>

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES**

**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME**

**FOR THE PERIOD ENDED SEPTEMBER 2023 AND 2022**

(Amounts in Thousands, Except Loss per Share)

	For the Three Months Ended		For the Nine Months Ended	
	30-Sep-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022
<b>REVENUES FROM CONTRACTS WITH CUSTOMERS</b>				
Copper concentrate	4,163,006	3,375,543	13,778,860	12,691,955
<b>COSTS AND EXPENSES – NET</b>				
Mining and milling costs	3,389,361	3,688,384	10,482,345	10,548,013
General and administrative expenses	336,440	245,133	986,155	828,005
Mine products taxes	166,002	135,026	551,923	502,821
Depletion of mining rights	62,618	81,716	202,257	229,871
Others – net	(12,324)	(37,592)	(104,268)	(80,558)
	3,942,097	4,112,667	12,118,412	12,028,152
<b>OTHER INCOME (CHARGES)</b>				
Fair value gain (loss) on derivatives – net	(281)	1,634,968	(63,085)	1,866,771
Gain on derecognition of financial guarantee obligation	0	508,107	0	1,446,245
Finance charges	(160,089)	(194,478)	(495,207)	(603,366)
Foreign exchange gains (losses) – net	(20,947)	(340,333)	65,563	(726,744)
Share in net income of associates	(18,039)	3,050	(32,349)	87,027
Fair value gain (loss) on provisionally priced receivables – net	(183)	23	(41,085)	847
Interest income	8,564	1,012	14,444	2,984
	(190,974)	1,612,349	(551,719)	2,073,764
<b>INCOME BEFORE INCOME TAX</b>	<b>29,934</b>	<b>875,225</b>	<b>1,108,729</b>	<b>2,737,567</b>
<b>PROVISION FOR INCOME TAX</b>	<b>47,742</b>	<b>188,461</b>	<b>(228,505)</b>	<b>331,107</b>
<b>NET INCOME</b>	<b>77,677</b>	<b>1,063,686</b>	<b>880,225</b>	<b>3,068,674</b>
<b>EARNINGS (LOSS) PER SHARE</b>				
Basic earnings (loss) per share	0.021834	0.298994	0.2474	0.862580
Diluted earnings (loss) per share	0.021834	0.298994	0.2474	0.862580
*Based on weighted average				
number of common shares outstanding	3,557,553	3,557,553	3,557,553	3,557,553

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES**

**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE PERIOD ENDED SEPTEMBER 30, 2023 AND 2022**

(Amounts in Thousands, Except Par Value Per Share)

	Capital Stock	Additional Paid -in Capital	Subscription Receivable	Revaluation Increment on Land	Remeasurement gain (loss) on Retirement Plan	Cumulative Translation Adjustments	Retained Earnings	Total	Treasury shares held by a Subsidiary	Total
Balance at January 1, 2022	3,559,533	19,650,936	(4,841,801)	320,217	104,306	2,141,888	17,692,199	38,627,277	(23,267)	38,604,010
Net Income	-	-	-	-	-	-	3,068,674	3,068,674	-	3,068,674
Cumulative translation adjustment	-	-	-	-	-	3,225,768	-	3,225,768	-	3,225,768
<b>Balance at September 30, 2022</b>	<b>3,559,533</b>	<b>19,650,936</b>	<b>(4,841,801)</b>	<b>320,217</b>	<b>104,306</b>	<b>5,367,655</b>	<b>20,760,873</b>	<b>44,921,719</b>	<b>(23,267)</b>	<b>44,898,452</b>
Balance at January 1, 2023	3,559,533	19,650,936	(4,841,801)	320,217	188,209	4,046,780	20,910,284	43,834,157	(23,267)	43,810,890
Net Income	-	-	-	-	-	-	880,225	880,225	-	880,225
Cumulative translation adjustment	-	-	-	-	-	388,311	-	388,311	-	388,311
<b>Balance at September 30, 2023</b>	<b>3,559,533</b>	<b>19,650,936</b>	<b>(4,841,801)</b>	<b>320,217</b>	<b>188,209</b>	<b>4,435,091</b>	<b>21,790,509</b>	<b>45,102,693</b>	<b>(23,267)</b>	<b>45,079,426</b>

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES**

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOW**

**FOR THE PERIOD ENDED SEPTEMBER 2023 AND 2022**

**(Amounts in Thousands)**

	For the Three Months Ended		For the Nine Months Ended	
	30-Sep-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax	29,934	875,225	1,108,729	2,737,567
Adjustments for:				
Depreciation and depletion	1,118,329	1,255,581	3,393,210	3,700,057
Finance charges	160,089	194,478	495,207	603,366
Unrealized foreign exchange losses (gains) - net	21,214	340,309	(61,498)	726,667
Share in net income from associates	18,039	(3,050)	32,349	(87,027)
Fair value loss (gain) on provisionally priced sales (Note 6)	183	0	41,085	0
Unrealized losses (gains) on AFS	21,130	49,665	31,638	104,519
Interest income	(8,564)	(1,012)	(14,444)	(2,984)
Marked to market gains (losses)-unrealized	(4,097)	(1,455)	(10,946)	(3,019)
Operating income before working capital changes	1,356,256	2,709,741	5,015,331	7,779,147
Provision for mine rehabilitation	1,598	5,733	953	12,490
Decrease (increase) in:				
Receivable - net	37,503	(1,060,924)	(120,202)	(2,344,936)
Inventories - net	(26,671)	(28,523)	14,648	108,615
Prepayments and other current assets	155,591	157,529	54,130	133,345
Other Non-Current Assets	(681,032)	(342,170)	(1,444,788)	(762,891)
Increase (decrease) in:				
Accounts payable and accrued liabilities	268,565	267,455	431,754	932,958
Derivative liabilities	0	0	148,800	74,357
Deferred tax liabilities	(12,298)	(20,457)	(47,573)	(56,373)
<b>Cash from operations</b>	<b>1,099,510</b>	<b>1,688,384</b>	<b>4,053,054</b>	<b>5,876,710</b>
Interest paid	(158,036)	(189,335)	(498,181)	(558,730)
Income taxes paid	(124,108)	(28,759)	(597,829)	(15,690)
Interest received	8,103	945	13,336	3,013
<b>Net cash provided by (used in) operating activities</b>	<b>825,470</b>	<b>1,471,236</b>	<b>2,970,380</b>	<b>5,305,303</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease (increase) in:				
Short-term investments	(205,817)	(20,675)	(481,302)	(43,307)
Additions to property, plant and equipment	(1,608,289)	(2,990,672)	(2,989,661)	(6,412,294)
<b>Net cash used in investing activities</b>	<b>(1,814,105)</b>	<b>(3,011,348)</b>	<b>(3,470,963)</b>	<b>(6,455,602)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Loans proceeds (payment)	(4,692)	(1,689,948)	(786,818)	(6,060,441)
<b>Net cash provided by financing activities</b>	<b>(4,692)</b>	<b>(1,689,948)</b>	<b>(786,818)</b>	<b>(6,060,441)</b>
EFFECT OF EXCHANGE RATE CHANGES	1,121,293	3,218,418	696,428	6,631,305
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>127,966</b>	<b>(11,642)</b>	<b>(590,973)</b>	<b>(579,434)</b>
CASH AND CASH EQUIVALENTS AT 1 JANUARY			947,157	909,101
<b>CASH AND CASH EQUIVALENTS AT 30 September 2023</b>			356,184	329,667

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED AGING SCHEDULE OF ACCOUNTS RECEIVABLE**  
**AS OF SEPTEMBER 30, 2023**  
**(Amounts in Thousands)**

<b>Type of Accounts Receivable</b>	<b>Total</b>	<b>Current</b>	<b>31 - 90 Days</b>	<b>91 - 120 Days</b>	<b>Over 121 Days</b>
Trade Receivable					
Various trade receivable	<b>107,930</b>	107,930			
Non-Trade Receivables					
Deposits and advances					
Scrap					
With court cases	-				
Others	<b>87,631</b>	28,208	2,252	3,817	53,353
Allowance for Doubtful Accounts	<b>(35,143)</b>				(35,143)
<b>Accounts Receivable - Net</b>	<b>160,418</b>	<b>136,138</b>	<b>2,252</b>	<b>3,817</b>	<b>18,210</b>

<b>Type of Receivable</b>	<b>Nature/Description of Receivable</b>	<b>Collection Period</b>
Various trade receivable	Sale of copper concentrates, gold, magnetite, and nickel	
Deposits & Advances	Deposits on rentals	
Scrap	Sale of excess and scrap materials	
With Court Cases	Various claims	
Others	Non-trade receivables, advances to employees and others	
<b>Normal Operating Cycle</b>	Calendar year	

Annex E



**PART II – OTHER INFORMATION**

None

**SIGNATURES**

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

**ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION**  
Issuer



**ADRIAN PAULINO S. RAMOS**  
President



**RODYARDO B. RAÑADA**  
Vice President/Chief Finance Officer

Signed this 20th day of October 2023