

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: **March 31, 2020**
2. Commission identification number: **4429**
3. BIR Tax Identification No.: **000-164-442**
4. Exact name of issuer as specified in its charter:

**MANILA MINING CORPORATION**

5. Province, country or other jurisdiction of incorporation or organization:  
**Makati City, Philippines**
6. Industry Classification Code:  (SEC Use Only)
7. Address of issuer's principal office:  
**20<sup>th</sup> Floor, Lepanto Building  
8747 Paseo de Roxas, Makati City, Philippines**
8. Issuer's telephone number, including area code:  
**(632) – 815-9447**
9. Former name, former address and former fiscal year, if changed since last report: **N/A**
10. Securities registered pursuant to Sections 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:
<b>Class "A"</b>	<b>155,796,086,372</b>
<b>Class "B"</b>	<b>103,790,702,331</b>

Amount of Debt Outstanding: **Please refer to the attached Balance Sheet (Annex "B")**

11. 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**

**Classes "A" and "B"**

12. Indicate by check mark 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 ninety (90) days.

Yes  No


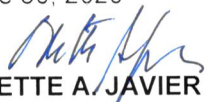
### PART 1- FINANCIAL INFORMATION

<b>Item 1. Financial Statements:</b>	<i>Income Statement</i>	- Annex "A"
	<i>Balance Sheet</i>	- Annex "B"
	<i>Statement of Cash Flow</i>	- Annex "C"
	<i>Stockholders' Equity</i>	- Annex "D"
	<i>Notes to Financial Statements</i>	- Annex "E"
	<i>Aging of Accounts Receivable-Trade</i>	- Annex "F"
<b>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</b>		- Annex "G"
<b>Item 3. Impact of Current Global Financial Condition</b>		- Annex "H"
<b>Item 4. Financial Ratios</b>		- Annex "I"

### 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.

Issuer	:	<b>Manila Mining Corporation</b>
Signature	:	
Title	:	<b>RENE F. CHANYUNGCO</b> Treasurer
Date	:	June 30, 2020
Signature	:	
Title	:	<b>ODETTE A. JAVIER</b> Assistant Corporate Secretary
Date	:	June 30, 2020

**MANILA MINING CORPORATION**  
**CONSOLIDATED QUARTERLY INCOME STATEMENT**  
**FOR THE FIRST QUARTER OF 2020**  
**(WITH COMPARATIVE FIGURES FOR THE FIRST QUARTER OF 2019)**

**ANNEX "A"**

	<b>MARCH 31</b>	
	<u>2020</u>	<u>2019</u>
<b>REVENUE</b>		
Copper	P -	P -
Gold	-	-
Silver	-	-
Interest and Other income	1,823	7,457
	<u>-</u>	<u>-</u>
	<u>1,823</u>	<u>7,457</u>
<b>COST AND EXPENSES</b>		
Mining, milling, refining and other related charges and administrative expenses including depreciation, depletion and amortizations	-	-
	-	-
	-	-
	<u>671,299</u>	<u>1,728,581</u>
	<u>671,299</u>	<u>1,728,581</u>
<b>NET INCOME BEFORE INCOME TAX</b>	<u>(669,476)</u>	<u>(1,721,124)</u>
<b>PROVISION FOR INCOME TAX</b>		
Current		
Deferred		
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	<u>P <u>(669,476)</u></u>	<u>P <u>(1,721,124)</u></u>
<b>EARNINGS (LOSS) PER SHARE</b>	<u>P <u>(0.000003)</u></u>	<u>P <u>(0.000007)</u></u>
<b>Formula:</b>		
<b>Net Loss</b>	(669,476)	(1,721,124)
<b>divided by Total shares subscribed, issued and outstanding</b>	259,056,043,604	259,056,043,604
	<u><u>(0.000003)</u></u>	<u><u>(0.000007)</u></u>

MANILA MINING CORPORATION  
**CONSOLIDATED BALANCE SHEET**  
As of March 31, 2020  
(With Comparative Figure for December 31, 2019)

ANNEX "B"

A S S E T S				LIABILITIES AND STOCKHOLDERS' EQUITY			
	**March 2020		*December 2019		**March 2020		*December 2019
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
Cash & cash equivalents	P 1,092,459	P	2,138,335	Accounts payable and accruals	P 179,404,228	P	173,034,780
Short-term investments	-		-	Dividends payable	573,097		573,097
Receivables	-		-	Non-trade payables	4,955,071		4,874,523
Trade	-		-	Notes Payable	-		-
Non-trade ( net )	(9,494,313)		(9,516,336)		184,932,396		178,482,400
Subscription Receivables	9,780,000		9,780,000				
Inventories	-		-	<b>NON-CURRENT LIABILITIES</b>			
Bullion	-		-	Notes Payable	-		-
Copper concentrate	-		-	Deferred Tax Liability	56,202,529		56,202,529
Gold in process - CIP	-		-	Pension Liability	15,119,563		15,119,563
Ore	-		-	Provision for mine rehabilitation & decommissioning	-		-
Materials and supplies (net)	7,091,711		7,128,984		71,322,091		71,322,091
Prepayments	63,150,630		63,119,640	<b>STOCKHOLDERS' EQUITY</b>			
	<u>71,620,487</u>		<u>72,650,622</u>	Capital Stock			
				Authorized - 260,000,000,000 shares divided into 156,000,000,000 shares of Class "A" and 104,000,000,000 shares of Class "B" at P0.01 par value each - P2,600,000,000			
<b>NON-CURRENT ASSETS</b>				Issued and outstanding-259,056,043,604 shares - December 2018-259,056,043,604 shares	2,590,560,436		2,590,560,436
Deferred Mine Exploration and Evaluation Costs	2,958,741,854		2,951,585,750	Subscribed capital stock - 530,745,099 shares - December 2018- 530,745,099) subscriptions receivable of P365,632	4,941,819		4,941,819
Property, Plant and Equipment (net)	114,505,018		114,868,933	Share Premium	617,625,955		617,625,955
Financial assets designated at FVOCI	14,584,019		14,584,019	Deposit for future subscriptions	-		-
Other Assets (net)	15,455,668		15,437,201		3,213,128,210		3,213,128,210
	<u>3,103,286,559</u>		<u>3,096,475,904</u>	Fair Value Reserve	(55,353,245)		(55,353,245)
<b>TOTAL ASSETS</b>	<b>P 3,174,907,046</b>	<b>P</b>	<b>3,169,126,526</b>	Retained earnings, beginning	(1,196,661,448)		(1,178,735,128)
				Add: Net income (loss) for the period	(669,476)		(17,933,984)
				Retained earnings, end	<u>(1,197,330,925)</u>		<u>(1,196,669,112)</u>
				Gain/Loss on RBO Remeasurement	3,236,288		3,236,288
				Effects of changes with non-controlling interest	954,621,275		954,621,275
				Equity Attributable to NCI	350,957		358,621
				Net stockholders' equity	<u>2,918,652,559</u>		<u>2,919,322,035</u>
				<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
				<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>P 3,174,907,046</b>	<b>P</b>	<b>3,169,126,526</b>

\*\* - UNAUDITED

\* - AUDITED

**MANILA MINING CORPORATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2020**  
**(WITH COMPARATIVE FIGURES FOR THE FIRST QUARTER ENDED MARCH 31, 2019)**

**ANNEX "C"**

	<b>MARCH 31</b>	
	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income/(loss) for the period	(669,476)	(1,721,124)
Add/(deduct) year-to-date adjustments	-	-
	<u>(669,476)</u>	<u>(1,721,124)</u>
<b>Adjustment to reconcile net income to net cash provided by operating activities:</b>		
Depreciation	34,355	470,595
Impairment loss	-	-
	<u>(635,121)</u>	<u>(1,250,529)</u>
<b>Changes in assets and liabilities</b>		
(Increase) decrease in receivables	(22,023)	(79,095)
(Increase) decrease in inventories	37,273	(244,367)
(Increase) decrease in prepayments	(30,990)	(40,859)
Increase (decrease) in accounts payable & accruals	6,369,448	8,577,587
Increase (decrease) in notes payable/dividends payable	-	-
Net cash provided by operating activities	<u>5,718,586</u>	<u>6,962,738</u>
<b>CASH USED IN INVESTING ACTIVITIES:</b>		
(Increase) decrease of property, plant and eqpt	(6,826,544)	(8,658,164)
(Increase) decrease in investments available for sale	-	-
(Increase) decrease in other assets	(18,467)	(170,864)
Net cash used in investing activities	<u>(6,845,010)</u>	<u>(8,829,028)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Increase (decrease) in subscribed capital stock	-	-
Increase (decrease) in Deposit for Future Subscription	-	-
Increase (decrease) in Deposit for Future Subscription	-	-
Increase (decrease) in Fair Value Reserve	-	-
Receipts from ( payment to ) related parties	-	(497,963)
Increase (decrease) in deferred tax liability	80,548	840,274
Increase (decrease) gain/loss on Rbo remeasurement	-	4
Net cash provided by (used in) financing activities	<u>80,548</u>	<u>342,315</u>
<b>NET INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	<b>(1,045,876)</b>	<b>(1,523,976)</b>
<b>CASH</b>		
Beginning of the period	<u>2,138,335</u>	<u>8,737,477</u>
End of the period	<u><b>1,092,459</b></u>	<u><b>7,213,501</b></u>

**MANILA MINING CORPORATION**  
**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY**  
**FOR THE PERIOD ENDED MARCH 31, 2020**  
**(WITH COMPARATIVE FIGURES FOR THE FIRST QUARTER ENDED MARCH 31, 2019)**

**ANNEX "D"**

	<b>MARCH 31</b>	
	<u><b>2020</b></u>	<u><b>2019</b></u>
<b>STOCKHOLDERS' EQUITY</b>		
Capital Stock		
Authorized - 260B shares @ P.01 par value each (P 2,600,000,000)		
Issued and outstanding	2,590,560,436	2,590,560,436
Subscribed capital stock (net of subscriptions receivable)	4,941,819	4,941,819
Share premium	617,625,955	617,625,955
Deposit for future subscriptions		
Deficit		
Operations		
Beginning balance	(1,196,661,448)	(1,178,735,128)
Net income (loss) for the period	(669,476)	(1,721,124)
	<u>(1,197,330,925)</u>	<u>(1,180,456,252)</u>
Fair Value Reserve	(55,353,245)	(53,718,471)
Gain/Loss on RBO Remeasurement	3,236,288	3,605,536
Effects of changes with non-controlling interest	954,621,275	954,621,275
Equity Attributable to NCI	350,957	358,621
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b><u><u>P 2,918,652,559</u></u></b>	<b><u><u>P 2,937,538,918</u></u></b>

**MANILA MINING CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS****Note 1 – General Information and Status of Operations**

Manila Mining Corporation (the Parent Company; the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on June 3, 1949, primarily to carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging and otherwise producing and dealing in precious and semi-precious metals, ores, minerals and their by-products. The parent company's shares are listed and traded on the Philippine Stock Exchange (PSE). On April 16, 1999, the SEC approved the extension of the Parent Company's corporate term for another fifty (50) years upon expiration of its original term on May 30, 1999. Lepanto Consolidated Mining Company (LCMC), a publicly listed company, and its subsidiaries, has 20% equity interest in the Company.

The principal office of the Parent Company is located at the 20th Floor, Lepanto Building, 8747 Paseo de Roxas, 1226 Makati City.

The parent company had a total of twenty three (23) regular employees as of 31 March 2019.

On May 11, 2011, the Parent Company, Kalayaan Copper-Gold Resources Inc. (KCGRI) and Philex Mining Corporation (Philex), finalized an agreement for the exploration and joint development of the Kalaya-an Project located in Placer, Surigao del Norte.

Prior to the expiration of EP-XIII-014-B, an application for another renewal was filed by KCGRI on 18 April 2012 for the purpose of conducting a more in-depth and detailed exploration in the area and to complete the feasibility study.

Pursuant to the agreement, the Parent Company sold to Philex a total of 125,000 shares of stock of KCGRI, representing a 5% interest in KCGRI, for a consideration of US\$25 million. Philex shall earn an additional 55% interest in KCGRI by sole-funding all pre-development expenses including a final feasibility study for the Project. The development of the Project shall be undertaken jointly by the Parent Company and Philex.

**Note 2 – Basis of Preparation, Statement of Compliance, and Changes in Accounting Policies and Disclosures**

The consolidated financial statements of the Group have been prepared under the historical cost basis, except for financial assets designated at FVOCI, and quoted AFS financial assets that have been measured at fair value. The consolidated financial statements are presented in Philippine Peso, the Parent Company's and the Subsidiary's functional and presentation currency. All amounts are rounded to the nearest peso, except when otherwise indicated.

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

The accounting policies adopted in the preparation of the financial statements are consistent with the most recent annual financial statements.

The Group applied PFRS 9 Financial Instruments for the first time from January 1, 2018. PFRS 9 replaces PAS 39, Financial Instruments: Recognition and Measurement for annual periods

beginning on or after January 1, 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The Group applied it prospectively and has not restated the comparative information, which continues to be reported under PAS 39. Differences arising from the adoption have been recognized directly in retained earnings and other components of equity. Other than the said changes, the accounting policies adopted are consistent with those of the previous financial year.

The amendments and interpretations below apply for the first time in 2018, but do not have an impact on the consolidated financial statements:

- PFRS 15, *Revenue from Contracts with Customers*
- Philippine Interpretation IFRIC 22, *Foreign Currency Transactions and Advance Considerations*
- Amendments to PAS 40, *Transfers of Investment Property*
- Amendments to PFRS 2, *Classification and Measurement of Share-based Payment Transactions*
- Amendments to PFRS 4, *Applying PFRS 9 Financial Instruments with PFRS 4 Insurance Contracts*
- Amendments to PAS 28 Investments in Associates and Joint Ventures, *Clarification that measuring investees at FVPL is an investment-by-investment choice*
- Amendments to PFRS 1, *First-time Adoption of International Financial Reporting Standards - Deletion of short-term exemptions for first-time adopters*

### **Note 3– Cash**

This includes cash on hand and cash with banks. Cash with banks earn interest at the respective bank deposit rates.

### **Note 4– Receivables**

This account consists of other nontrade receivables which is non-interest bearing comprise mainly of receivables from sub-contractors and third parties.

### **Note 5– Inventories**

This account consists of parts and supplies which are stated at the lower of cost and net Realizable Value and fuel and lubricants which are valued at cost.

### **Note 6– Pre-payments**

This account represents contract deposits & miscellaneous deposit.

Contract deposits pertain to deposits made for future drilling services of its affiliate, Diamond Drilling Corporation of the Philippines (DDCP). This is refundable upon nonperformance of services.

### **Note 7– Property, Plant and Equipment and Deferred Mine Exploration and Evaluation Costs**

Property, plant and equipment, except land, are carried at cost less accumulated depletion, depreciation and impairment, if any. This includes exploration costs which are materials and fuels used, surveying costs, drilling costs and payments made to contractors. Exploration costs are



capitalized up to the point when a commercial reserve is established and are assessed for impairment.

### **Note 8 – Other Assets**

This account consists mainly of Mine rehabilitation fund (MRF), Advances to landowners, miscellaneous deposit, input VAT, and prepaid royalties.

MRF is for physical and social rehabilitation, reforestation and restoration of areas and communities affected by mining activities, for pollution control, slope stabilization and integrated community development.

Advances to landowners pertain to advances made to certain landowners for future purchases of parcels of lands.

Miscellaneous deposits pertain to advances made to local government agencies for pending project agreements.

Input VAT represents VAT paid on purchases of goods and services which can be recovered as tax credit against future tax liability of the Parent Company upon approval by the BIR.

Prepaid royalties are advance payments to claim owners and real property taxes while miscellaneous deposits are advance payments made to suppliers of services.

### **Note 9 – Financial Assets Designated at FVOCI / AFS Financial Assets**

These include quoted and unquoted equity instruments.

Available for sale investment was reclassified as financial assets designated at fair value through other comprehensive income (FVOCI) in application for the new PFRS 9 Financial Instruments implemented for the first time.

Quoted AFS financial assets pertain to investment on common shares of various local public companies and are carried at fair value on the exit market price. Unquoted AFS financial assets pertain to investment in private company which have no fixed maturity date or coupon rate and are carried at cost.

Movement in the “Fair value reserve of financial assets designated at FVOCI” presented as separate component of equity amounted to -P55.353 Million.

### **Note 10– Accounts Payable and Accrued Expenses**

These represent Trade payable and accrued expenses. Trade payable include local purchases of equipment, inventories and various parts while accrued expenses includes accrued payroll which are normally payable within five (5) to ten (10) days.

### **Note 11 – Non-trade Payables**

This account represents payables to affiliates.

## **Note 12 – Retirement Benefits Obligation**

Under the existing regulatory framework, Republic Act 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

The net defined retirement benefits liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined retirement benefits liability or asset
- Remeasurements of net defined retirement benefits liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in consolidated statement of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined retirement benefits liability or asset is the change during the period in the net defined retirement benefits liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined retirement benefits liability or asset. Net interest on the net defined retirement benefits liability or asset is recognized as expense or income in statement of comprehensive income.

Remeasurements, comprising actuarial gains and losses, are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to statement of comprehensive income in subsequent periods.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined retirement benefits liability is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

## **Note 13 - Earnings (loss) per share**

Following are the basis for the computation of earnings (loss) per share:

	1st qtr 2019	1st qtr 2019
Numerator:		
Net (loss) income for The quarter	P(669,476)	P(1,721,124)
Denominator:		
Weighted average Total shares subscribed, issued and outstanding	259,056,043,604	259,056,043,604

MANILA MINING CORPORATION

AGING OF ACCOUNTS RECEIVABLE TRADE

As of March 31, 2020

NONE

p -o0o-  
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# **Management's Discussion and Analysis of Financial Condition and Results of Operations**

As of 31 March 2020

With no operations, revenue was nil, except for interest earnings. Expenses, consisting of depreciation and administration costs, totaled P0.67 million, compared with P1.73 million in 2019. The decrease was due to the full depreciation of some items. Net loss for the first quarter amounted to P0.67 million compared with P1.72 million last year.

Cash and Cash Equivalents amounted to P1.09 million, 49% lower than 2019 year-end balance of P2.14 million. Non Trade receivables increased by 8% in relation to an SSS benefit of an employee.

**Manila Mining Company**  
Impact of Current Global Financial Condition

**Credit Risk**

Not applicable

**Market Risk**

The value of financial instruments may change as a result of changes in interest rates, foreign currency exchange rates and equity prices. The Company has Financial Assets Designated at FVOCI in the amount of P14.58 Million which is subject to fluctuations in market prices.

**Foreign Exchange Risk**

Not applicable

**Interest Rate Risk**

Not applicable as the Company has no interest-bearing payables.

**Liquidity Risk**

Not applicable

**Fair Values**

The methods and assumptions used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

*Cash, Receivables, Trade Payables and Accrued Expenses*

The carrying amounts of cash, receivables, trade payables and accrued expenses are all subject to normal trade credit terms and are short term in nature, approximate their fair values.

*AFS Investments*

Fair values of investments are estimated by reference to their quoted market values made during the balance sheet date as of the end of last year. Unquoted equity securities are carried at cost net of impairment in value, since fair value of these AFS securities cannot be reliably determined as these securities are not listed and have no available bid price. The Company has no investments in foreign securities.

*Loans Payable and Borrowings*

Not applicable

**MANILA MINING CORPORATION AND SUBSIDIARY**  
**FINANCIAL RATIOS**  
**PURSUANT TO SRC RULE 68, AS AMENDED**  
(With Comparative Annual Figures for 2019)

ANNEX "I"

	<b>1ST QUARTER</b>	<b>YEAR END</b>
	<b>March 2020</b>	<b>December 2019</b>
<b>Profitability Ratios:</b>		
Return on assets	-0.02%	-0.57%
Return on equity	-0.02%	-0.61%
Net Profit Margin	N/A	N/A
<b>Solvency and liquidity ratios:</b>		
Current Ratio	0.39	0.41
Debt to equity	0.09	0.09
Quick Ratio	0.01	0.01
<b>Financial Leverage ratio:</b>		
Asset to equity	1.09	1.09
Debt to Asset ratio	0.08	0.08
Interest rate coverage ratio	N/A	N/A