



# SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Pasay City, Metro Manila, Philippines  
Tel: (632) 818-6200 Email: [mis@sec.gov.ph](mailto:mis@sec.gov.ph)

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Securities and  
Exchange  
Commission  
PHILIPPINES

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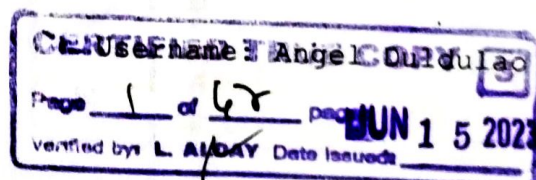
## Company Information

SEC Registration No. AS95005776  
Company Name JSG SECURITIES INC.  
Industry Classification  
Company Type Stock Corporation

## Document Information

Document ID 205182349953161  
Document Type ANNUAL AUDITED FINANCIAL REPORT  
Document Code 52AR  
Period Covered December 31, 2022  
No. of Days Late  
Department  
Remarks

Date: 2023-06-13 Time: 08:11:02 AM



# JSG Securities, Inc.

Financial Statements  
December 31, 2022 and 2021

and

Independent Auditor's Report

# COVER SHEET

for

## AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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**COMPANY NAME**

[illegible]**PRINCIPAL OFFICE** ( No. / Street / Barangay / City / Town / Province )[illegible]

Form Type

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Department requiring the report

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Secondary License Type, If Applicable

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## COMPANY INFORMATION

Company's Email Address

**jsgsecurities@gmail.com**

Company's Telephone Number

**8242-9380 & 85**

Mobile Number

No. of Stockholders

11

Annual Meeting (Month / Day)

## 1st Saturday 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

**Ms. Stephanie S. Go**

Email Address

**jsgsecurities@gmail.com**

Telephone Number/s

8242-9424

Mobile Number

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**CONTACT PERSON'S ADDRESS**

**600 Carriedo Street, Quiapo, Manila**

**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-out. 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.**

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**JSG SECURITIES, INC.**  
**ANNUAL AUDITED FINANCIAL REPORT**  
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**DECEMBER 31, 2022**

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**REPUBLIC OF THE PHILIPPINES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Metro Manila, Philippines**

**COVER PAGE**

Information Required of Brokers and Dealers Pursuant to Rule 52.1-5 of the SRC.

Report for the Year Beginning January 1, 2022 and Ending December 31, 2022.

<b>IDENTIFICATION OF BROKER OR DEALER</b>	
Name of Broker/Dealer:	JSG Securities, Inc.
Address of Principal Place of Business:	600 Carriedo Street Quiapo, Manila
Name and Phone Number of Person to Contact in Regard to this Report:	
Name: Ms. Stephanie S. Go	Tel. No. (02) 8241-0594 to 98 Fax No. (02) 8242-9385

<b>IDENTIFICATION OF ACCOUNTANT</b>	
Name of Independent Auditors whose opinion is contained in this report:	
Name: SyCip Gorres Velayo & Co.	Tel. No.: (02) 8891-0307
BOA/PRC Reg. No. 0001	Fax No.: (02) 8819-0872
SEC Accreditation No. 0012-FR-3 (Group A)	
Address: 6760 Ayala Avenue, Makati City	
Leslie Anne G. Huang	
Partner	
CPA Certificate No. 0134290	
Tax Identification No. 238-044-991	
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024	
SEC Partner Accreditation No. 134290-SEC (Group A)	
Valid to cover audit of 2022 to 2026 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. 08-001998-150-2022, November 7, 2022, valid until November 6, 2025	
PTR No. 9564633, January 03, 2023, Makati City	

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# JSG SECURITIES, INC.

Member: Philippine Stock Exchange, Inc.  
600 Carriedo Street, Quiapo, Manila, Philippines  
Tel. No.: 242-93-80; 358-01-46

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The Management of **JSG Securities, Inc.** (the Company) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, as of and for the years ended **December 31, 2022 and 2021**, 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.

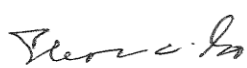
The Board of Directors (BOD) is responsible for overseeing the Company's financial reporting process.

The BOD reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders and members of the Company.

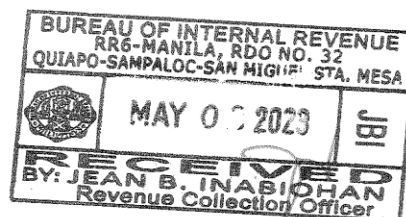
SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion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

  
Mr. Jorge S. Go  
Chairman of the Board / Chief Executive Officer

  
Mr. Ricky C. Go  
President

  
Ms. Elena C. Go  
Chief Financial Officer

Signed this 27 day of April 2023



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# JSG SECURITIES, INC.


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600 Carriedo Street, Quiapo, Manila, Philippines  
Tel. No.: 242-93-80; 358-01-46

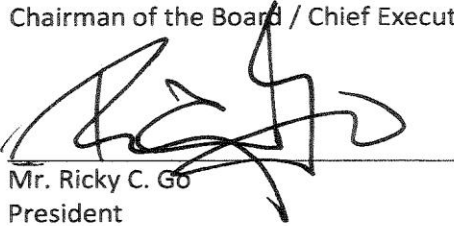
## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

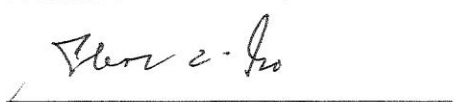
The Management of **JSG Securities, Inc.** (the Company) is responsible for all information and representation contained in the Annual Income Tax Return for the year ended December 31, 2022. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

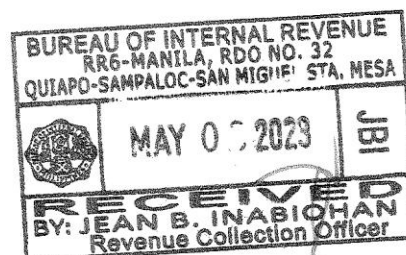
In this regard, the Management affirms that the attached audited financial statements for the calendar year ended December 31, 2022 and the accompanying Annual Income Tax Return are in accordance with the books and records of the Company, complete and correct in all material respects. Management likewise affirms that:

- (a) The Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- (b) Any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- (c) The Company has filed all applicable tax returns, reports and statements required to be filed under Philippine Tax Laws for the reporting period and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

  
Mr. Jorge S. Go  
Chairman of the Board / Chief Executive Officer

  
Mr. Ricky C. Go  
President

  
Ms. Elena C. Go  
Chief Financial Officer



Signed this 27 day of April 2023

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## INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors  
JSG Securities, Inc.  
600 Carriedo Street  
Quiapo, Manila

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of JSG Securities, Inc. (the Company), which comprise the statements of financial condition as at December 31, 2022 and 2021, and the statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, 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 the years then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

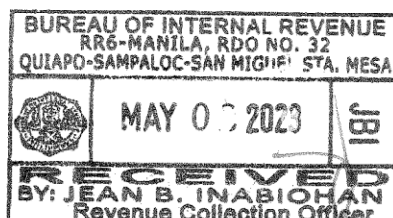
#### Basis for Opinion

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.

#### 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.

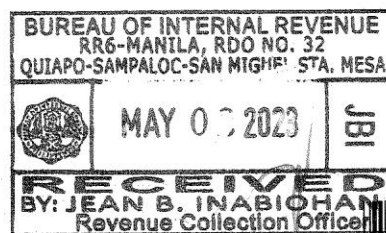
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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.





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### Report on the Supplementary Information Required Under Revenue Regulations No. 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 No. 15-2010 in Note 18 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 JSG Securities, Inc. 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.

SYCIP GORRES VELAYO & CO.

*Leslie Anne G. Huang*

Leslie Anne G. Huang

Partner

CPA Certificate No. 134290

Tax Identification No. 238-044-991

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

SEC Partner Accreditation No. 134290-SEC (Group A)

Valid to cover audit of 2022 to 2026 financial statements of SEC covered institutions

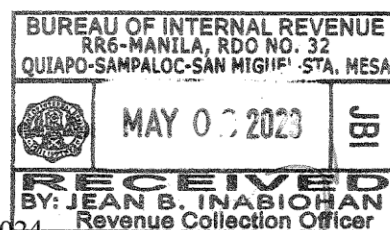
SEC Firm Accreditation No. 0001-SEC (Group A)

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

BIR Accreditation No. 08-001998-150-2022, November 7, 2022, valid until November 6, 2025

PTR No. 9564633, January 3, 2023, Makati City

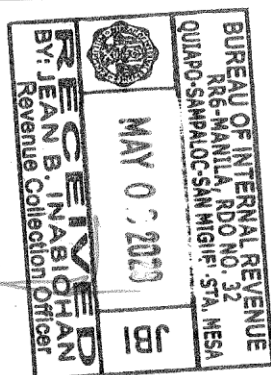
April 27, 2023



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## STATEMENTS OF FINANCIAL CONDITION

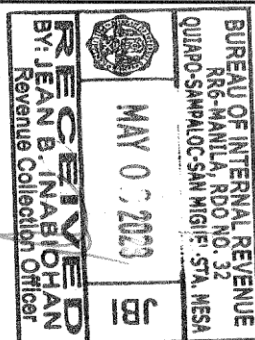
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	December 31					
	2022			2021		
	Balance	Security Valuation		Balance	Security Valuation	
		Long	Short		Long	Short
<b>LIABILITIES AND EQUITY</b>						
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Trade payables						
Payable to customers (Notes 7 and 9)	₱16,437,184	₱1,197,362,421		₱12,318,069	₱1,280,277,084	₱12,236,332
Payable to clearing house (Notes 8 and 9)	1,267,178			5,010,410		
Accrued expenses	317,528			293,042		
Other liabilities (Note 12)	519,488			1,072,945		
	18,541,378			18,694,466		
<b>Non-current Liability</b>						
Deferred tax liability (Note 15)	6,073,750			9,522,777		
	24,615,128			28,217,243		
<b>Equity</b>						
Common share capital (Note 13)	20,093,900			20,093,900		
Additional paid-in capital	17,625,000			17,625,000		
Retained earnings (Note 13)						
Appropriated - reserve fund	8,636,411			8,378,977		
Unappropriated	20,984,210			19,954,474		
Fair value reserves on financial assets at fair value through other comprehensive income (Note 10)	18,221,250			28,481,250		
	85,560,771			94,533,601		
	₱110,175,899	₱1,255,468,104	₱1,255,468,104	₱122,750,844	₱1,370,182,775	₱1370,182,775

See accompanying Notes to Financial Statements.



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**JSG SECURITIES, INC.**  
**STATEMENTS OF INCOME**

	<b>Years Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<b>REVENUES</b>		
<b>Commissions</b> (Note 16)	<b>₱7,085,702</b>	<b>₱8,442,986</b>
<b>Others</b>		
Dividend income (Notes 6 and 10)	<b>3,627,977</b>	3,065,279
Trading gains (losses) on financial assets at fair value through profit or loss - net (Note 6)	<b>(2,146,500)</b>	(250,920)
Foreign exchange gain (loss) – net	<b>1,503,393</b>	937,497
Interest income (Notes 5 and 16)	<b>273,962</b>	134,705
Miscellaneous	<b>167,312</b>	181,959
	<b>10,511,846</b>	12,511,506
<b>COST OF SERVICES</b> (Note 14)	<b>1,574,652</b>	1,572,723
	<b>8,937,194</b>	10,938,783
<b>OPERATING EXPENSES</b>		
Salaries, wages and employee benefits (Note 16)	<b>4,639,490</b>	4,281,626
Transportation and travel	<b>1,111,694</b>	541,538
Meetings and conferences	<b>319,135</b>	170,834
Office supplies	<b>296,978</b>	376,621
Repairs and maintenance	<b>246,081</b>	83,679
Security, messengerial and janitorial	<b>215,936</b>	207,997
Professional fees	<b>189,728</b>	169,400
Postage, telephone and communications	<b>142,304</b>	206,653
Taxes and licenses	<b>115,472</b>	111,331
Insurance	<b>97,233</b>	71,845
Gas and oil	<b>67,303</b>	58,131
Entertainment, amusement and recreation	<b>39,094</b>	33,954
Depreciation (Note 11)	<b>35,528</b>	32,730
Bank charges	<b>30,515</b>	30,506
Miscellaneous	<b>15,142</b>	38,168
	<b>7,561,633</b>	6,415,013
<b>INCOME BEFORE INCOME TAX</b>	<b>1,375,561</b>	4,523,770
<b>PROVISION FOR INCOME TAX</b> (Note 15)	<b>88,390</b>	13,106
<b>NET INCOME</b>	<b>1,287,171</b>	4,510,664

*See accompanying Notes to Financial Statements.*

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**JSG SECURITIES, INC.**

**STATEMENTS OF COMPREHENSIVE INCOME**

	<b>Years Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<b>NET INCOME</b>	<b>₱1,287,171</b>	<b>₱4,510,664</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
<i>Items that do not recycle to profit or loss in subsequent periods:</i>		
Fair value reserves on equity securities at fair value through other comprehensive income (Note 10)	<b>(13,680,000)</b>	14,664,000
Income tax effect (Notes 10 and 15)	<b>3,420,000</b>	(2,500,450)
	<b>(10,260,000)</b>	12,163,550
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>(₱8,972,829)</b>	<b>₱16,674,214</b>

*See accompanying Notes to Financial Statements.*

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**JSG SECURITIES, INC.**

**STATEMENTS OF CHANGES IN EQUITY**

	Common Share Capital (Note 13)	Additional Paid-in Capital	Retained Earnings (Note 13)		Fair value reserves on financial assets at FVOCI (Note 10)	Total
			Appropriated	Unappropriated		
<b>Balances at January 1, 2022</b>	<b>P20,093,900</b>	<b>P17,625,000</b>	<b>P8,378,977</b>	<b>P19,954,474</b>	<b>P28,481,250</b>	<b>P94,533,601</b>
Net income	—	—	—	1,287,171	—	1,287,171
Other comprehensive loss	—	—	—	—	(10,260,000)	(10,260,000)
Total comprehensive income/(loss)	—	—	—	1,287,171	(10,260,000)	(8,972,829)
Appropriations (Note 13)	—	—	257,434	(257,434)	—	—
<b>Balances at December 31, 2022</b>	<b>P20,093,900</b>	<b>P17,625,000</b>	<b>P8,636,411</b>	<b>P20,984,211</b>	<b>P18,221,250</b>	<b>P85,560,772</b>
Balances at January 1, 2021	P20,093,900	P17,625,000	P7,476,845	P16,345,942	P16,317,700	P77,859,387
Net income	—	—	—	4,510,664	—	4,510,664
Other comprehensive income	—	—	—	—	12,163,550	12,163,550
Total comprehensive income	—	—	—	4,510,664	12,163,550	16,674,214
Appropriations (Note 13)	—	—	902,132	(902,132)	—	—
Balances at December 31, 2021	P20,093,900	P17,625,000	P8,378,977	P19,954,474	P28,481,250	P94,533,601

See accompanying Notes to Financial Statements.

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**JSG SECURITIES, INC.**  
**STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	<b>₱1,375,561</b>	₱4,523,770
Adjustments for:		
Dividend income (Notes 6 and 10)	<b>(3,627,977)</b>	(3,065,279)
Interest income (Note 5)	<b>(273,962)</b>	(134,705)
Depreciation (Note 11)	<b>35,528</b>	32,730
Changes in operating assets and liabilities:		
Decrease (increase) in amounts of:		
Receivable from customers	<b>3,757,814</b>	2,798,915
Receivable from clearing house	<b>(4,163,990)</b>	(8,700,624)
Financial assets at fair value through profit or loss	<b>5,136,500</b>	368,420
Other receivables	<b>82,038</b>	-
Other current assets	<b>(632,931)</b>	(824,816)
Increase (decrease) in amounts of:		
Payable to customers	<b>4,119,115</b>	2,482,381
Payable to clearing house	<b>(3,743,232)</b>	3,408,063
Accrued expenses	<b>24,486</b>	54,995
Other liabilities	<b>(553,457)</b>	439,578
Net cash used in operations	<b>1,535,493</b>	1,383,428
Interest received	<b>273,783</b>	135,558
Income taxes paid	<b>(117,417)</b>	(85,177)
Net cash used in operating activities	<b>1,691,859</b>	1,433,809
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends received	<b>3,705,785</b>	3,086,155
Acquisitions of property and equipment (Note 11)	<b>(44,643)</b>	(5,000)
Refundable deposits (Note 12)	<b>(50,864)</b>	(55,468)
Net cash provided by investing activities	<b>3,610,278</b>	3,025,687
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>5,302,137</b>	4,459,496
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>27,240,101</b>	22,780,605
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 5)</b>	<b>₱ 32,542,238</b>	₱ 27,240,101

*See accompanying Notes to Financial Statements*

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## **JSG SECURITIES, INC.**

### **NOTES TO FINANCIAL STATEMENTS**

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#### **1. Corporate Information**

JSG Securities, Inc. (the Company) was registered with the Philippine Securities and Exchange Commission (SEC) on June 16, 1995 with a corporate term of 50 years from the date of incorporation. The Company is engaged primarily to carry on and maintain the business of stock brokerage, and act as dealer of securities, bonds, debentures, products, commodities, obligations and investment of all kinds and all activities, which are directly or indirectly related.

The registered office address of the Company is at 600 Carriedo Street, Quiapo, Manila.

The accompanying financial statements of the Company were authorized for issue by its Board of Directors (BOD) on **April 27**, 2023.

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#### **2. Summary of Significant Accounting Policies**

##### Basis of Preparation

The accompanying financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVTPL) and financial assets at fair value through other comprehensive income (FVOCI), which have been measured at fair value. The financial statements are presented in Philippine pesos (₱), the Company's functional currency. All amounts are rounded to the nearest peso, except when otherwise indicated.

##### Statement of Compliance

The Company's financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS).

##### Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except that the Company has adopted the following new accounting pronouncements starting January 1, 2022. Unless otherwise indicated, adoption of these pronouncements did not have any significant impact on the Company's financial statements as at and for the year ended December 31, 2022.

- Amendments to PFRS 3, *Reference to the Conceptual Framework*
- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*
- Amendments to PAS 37, *Onerous Contracts - Costs of Fulfilling a 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*
  - Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*
  - Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

## **Summary of Significant Accounting Policies**

### Foreign Currency Translation

Transactions denominated in foreign currency are recorded using the exchange rate prevailing as of the date of the transactions. Outstanding foreign currency-denominated monetary assets and liabilities at year end are restated using the Philippine Dealing and Exchange Corp. (PDEX) closing rate at reporting date. Gains or losses arising from foreign currency translation adjustment of foreign currency-denominated assets and liabilities are credited to or charged against profit or loss.

### Current versus Noncurrent Classification

The Company presents assets and liabilities in statements of financial condition based on current or non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current.

### Cash and Cash Equivalents

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

### 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 by 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.

For financial instruments that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level that is significant to the fair value measurement as a whole) at the end of each reporting period.

A fair value measurement of a non-financial 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.

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 and liability and the level of the fair value hierarchy as explained in Note 4.

#### Financial Instruments - Initial Recognition and Subsequent Measurement

##### *Date of recognition*

Financial instruments are any contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized in the statements of financial condition when the Company becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date. Receivable from customers and payable to customers are also recognized on trade date basis. Deposits, amounts due to banks and other receivables are recognized when cash is received by the Company.

##### *Initial recognition of financial instruments*

All financial instruments, including trading and investment securities and receivables, are initially measured at fair value. Except for financial assets at FVTPL and financial liabilities at FVTPL, the initial measurement of financial instruments includes transaction costs.

#### Financial Instruments at FVTPL

Financial assets and financial liabilities at FVTPL are recorded in the statements of financial condition at fair value. Changes in fair value are recorded in 'Trading gains (losses) on financial assets at fair value through profit or loss - net' in the statements of income. Interest earned or incurred is recorded in interest income or expense, respectively, while dividend income is recorded in other revenues according to the terms of the contract, or when the right of the payment has been established.

#### Financial Instruments – Classification and Subsequent Measurement

Financial assets are measured at FVTPL unless these are measured at FVOCI or at amortized cost. Financial liabilities are classified as either financial liabilities at FVTPL or financial liabilities at amortized cost. The classification of financial assets depends on the contractual terms and the business model for managing the financial assets. Subsequent to initial recognition, the Company may reclassify its financial assets only when there is a change in its business model for managing these financial assets. Reclassification of financial liabilities is not allowed.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios. As a second step of

its classification process, the Company assesses the contractual terms of financial assets to identify whether they pass the contractual cash flows test (SPPI test).

*Financial assets at FVOCI*

Financial assets at FVOCI include debt and equity securities. After initial measurement, financial assets at FVOCI are subsequently measured at fair value. The unrealized gains and losses arising from the fair valuation of financial assets at FVOCI are excluded, net of tax as applicable, from the reported earnings and are included in the statements of comprehensive income as 'Fair value reserves on financial assets at FVOCI'.

Debt securities at FVOCI are those that meet both of the following conditions: (i) the asset is held within a business model whose objective is to hold the financial assets in order to both collect contractual cash flows and sell financial assets; and (ii) the contractual terms of the financial assets give rise on specified dates to cash flows that are SPPI on the outstanding principal amount. The effective yield component of debt securities at FVOCI, as well as the impact of restatement on foreign currency-denominated debt securities at FVOCI, is reported in the statements of income. Interest earned on holding debt securities at FVOCI are reported as 'Interest income' using the effective interest rate (EIR) method. When the debt securities at FVOCI are disposed of, the cumulative gain or loss previously recognized in the statements of comprehensive income is recognized as 'Trading gain (loss) – net' in the statements of income. The ECL arising from impairment of such investments are recognized in OCI with a corresponding charge to profit or loss.

Equity securities designated at FVOCI are those that the Company made an irrevocable election to present in OCI the subsequent changes in fair value. Dividends earned on holding equity securities at FVOCI are recognized in the statements of income as 'Dividend income' when the right of the payment has been established. Gains and losses on disposal of these equity securities are never recycled to profit or loss, but the cumulative gain or loss previously recognized in the statements of comprehensive income is reclassified to 'Retained earnings' or any other appropriate equity account upon disposal. Equity securities at FVOCI are not subject to impairment assessment.

As of December 31, 2022, and 2021, the Company has no debt securities at FVOCI.

*Financial assets at amortized cost*

Financial assets at amortized cost are debt financial assets that meet both of the following conditions: (i) these are held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows; and (ii) the contractual terms give rise on specified dates to cash flows that are SPPI on the outstanding principal amount. This accounting policy relates to the statements of financial condition captions 'Cash and cash equivalents', 'Receivable from customers', 'Receivable from clearing house', 'Investment securities at amortized cost', 'Refundable contributions to Clearing and Trade Guarantee Fund (CTGF)' and 'Other receivables'. The 'Other receivables' account includes dividends receivable, interest receivable and commission receivable.

After initial measurement, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the EIR. The amortization is included in 'Interest income' in the statements of income. Gains and losses are recognized in statements of income when these investments are derecognized or impaired, as well as through the amortization process. The ECL are recognized in the statements of income under 'Provision for credit and impairment losses'. The effects of revaluation on foreign currency denominated investments are recognized in the statements of income.

*Other financial liabilities carried at amortized cost*

This category includes trade payables, accrued expenses and other liabilities where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or other financial asset to the holder, or to satisfy an obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. After initial measurement, other financial liabilities are subsequently measured at amortized cost using effective interest method.

Trade Receivables and Payables

Trade receivables from customers and payable to clearing house and other brokers arise from securities purchased (in a regular way transaction) that have been contracted for but not yet delivered and settled at the end of the reporting period. Payable to customers and receivable from clearing house and other brokers arise from securities sold (in a regular way transaction) that have been contracted for but not yet delivered and settled at the end of the reporting period. Refer to the accounting policy for “Financial assets at amortized cost” and ‘Other financial liabilities carried at amortized cost’ for recognition and measurement. The related security valuation shows all positions as of clearance date.

Derecognition of Financial Assets and Liabilities

*Financial asset*

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized where (a) the rights to receive cash flows from the asset have expired; (b) the Company retains the right to receive cash flows from the asset, but has assume an obligation to pay them in full without material delay to a third party under a ‘pass-through’ arrangement; or (c) the Company has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset or has entered into a ‘pass-through’ arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor is transferred control over the asset, the asset recognized to the extent of the Company’s continuing involvement in the asset. In this 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 original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

*Financial liability*

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

Where 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 exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statements of income.

#### Impairment of Financial Assets

The Company recognizes an ECL 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 recognized in two stages. For credit exposures for which there has not been a SICR since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a SICR since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company calculates ECL either on an individual or a collective basis. The Company performs collective impairment by grouping exposures into smaller homogeneous portfolios based on combination of borrower and account characteristics. Accounts with similar risk attributes (i.e. facility, security, credit rating, months-on-books, utilization and collateral type, etc.) are pooled together for calculation provisions based on the ECL models.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Generally, the Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Treasury exposures are considered in default upon occurrence of a credit event such as but not limited to bankruptcy of counterparty restructuring, failure to pay on an agreed settlement date, or request for moratorium.

#### Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial condition if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### Prepayments and Other Assets

The Company's prepayments are composed of prepaid taxes and licenses and other prepayments. Other current assets are composed of creditable withholding taxes (CWTs). Other noncurrent assets are composed of refundable contributions to CTGF, and other refundable deposits. These assets are classified as current when it is probable to be realized within one (1) year from the end of the reporting period. Otherwise, these are classified as noncurrent assets.

#### Property and equipment

Depreciable properties such as furniture, fixtures and equipment and transportation equipment are stated at cost less accumulated depreciation and any impairment in value.

The initial cost of property and equipment consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the item of property and equipment to its working condition and location for its intended use. Expenditures incurred after items of property and equipment have been put into operation, such as repairs and maintenance are normally charged

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against profit or loss in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment. When property and equipment are retired or otherwise disposed of, the cost and the related accumulated depreciation and amortization are removed from the accounts, and any resulting gain or loss is reflected as income or loss in the statements of income.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets.

The estimated useful lives of the respective assets follow:

Furniture, fixtures and equipment	5 years
Transportation equipment	5 years

The useful life and the depreciation method are reviewed periodically to ensure that the period and the method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, an impairment loss is recognized in the statements of income.

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 asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statements of income in the year the asset is derecognized.

#### Intangible Assets

##### *Exchange trading right*

Exchange trading right allows the Company access to the trading facilities of and to transact business at the Philippine Stock Exchange (PSE). The trading right is an intangible asset that is regarded as having an indefinite useful life as there is no foreseeable limit to the period over which this asset is expected to generate net cash inflows for the Company.

Exchange trading right is carried at cost equivalent to the fair value at the time it was received by the Company as capital contribution less any allowance for impairment loss. The Company does not intend to sell the exchange trading right in the near future. In accordance with PAS 38, *Intangible Assets*, the trading right is tested annually for any impairment in realizable value. Any impairment loss is taken as a charge against profit or loss.

#### Impairment of Nonfinancial Assets

At each statement of financial condition date, the Company assesses whether there is any indication that its nonfinancial assets such as property and equipment and exchange trading right may be impaired. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Company makes a formal estimate of recoverable amount.

Recoverable amount is the higher of an asset's cash-generating unit's fair value less costs to sell and its value in use 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, in which case the

recoverable amount is assessed as part of the cash-generating unit to which it belongs. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is charged against profit or loss in the year in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is charged to the revaluation increment of the said asset.

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

#### Common Share Capital and Additional Paid-in Capital

Common shares capital is measured at par value for all shares issued and outstanding. When the shares are sold at premium, the difference between the proceeds and the par value is credited to 'Additional paid-in capital'.

#### Retained Earnings

Retained earnings are accumulated profits realized out of normal and continuous operations of the business after deducting therefrom distributions to stockholders and transfers to capital or other accounts. Cash and stock dividends are recognized as a liability and a deduction from equity when they are approved by the Company's BOD and stockholders, respectively. Dividends for the year that are approved after the end of the reporting period are dealt with as an event after the end of the reporting period.

Retained earnings may also include retrospective effect of changes in accounting policy as may be required by the transitional provisions of the new or revised accounting policy. Unappropriated retained earnings represent the accumulated profits and gains realized out of the normal and continuous operations of the Company after deducting therefrom distributions to stockholders and transfers to capital stocks or other accounts, and which is:

- Not appropriated by its BOD for corporate expansion projects or programs;
- Not covered by a restriction for dividend declaration under a loan agreement;
- Not required under special circumstances obtaining in the Company such as when there is a need for a special reserve for probable contingencies.

Appropriated retained earnings represent that portion which has been restricted and, therefore, not available for dividend declaration.

#### Revenue Recognition

Revenue from contracts with customers is recognized upon transfer of services to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.



The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or agent. The Company has concluded that it is the principal in all of its revenue arrangements except for its brokerage transactions. The following specific recognition criteria must also be met before revenue is recognized:

*Commissions*

Commissions are recorded on a transaction date basis as securities transactions occur, which is normally upon acceptance of trade deals. These are computed based on a certain percentage of every trade transaction.

*Interest income*

For all financial instruments measured at amortized cost and interest-bearing financial instruments classified as financial assets at FVOCI, interest income is recorded at the EIR, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument, including any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR. The adjusted carrying amount is calculated based on the original EIR. The change in carrying amount is recorded as 'Interest income'.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the EIR to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

*Trading gains (losses) on financial assets at fair value through profit or loss - net*

Results arising from trading activities include all gains and losses from changes in fair value for financial assets and financial liabilities at FVTPL and gains and losses from disposal of financial assets at FVTPL.

Unrealized trading gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealized gains and losses for financial instruments which were realized in the reporting period.

*Dividend income*

Dividend income is recognized when the Company's right to receive the payment is established.

Expense Recognition

Expenses are recognized when it is probable that decrease in future economic benefits related to the decrease in asset or an increase in liability has occurred and that the decrease in economic benefits can be measured reliably. Expenses that may arise in the course of ordinary regular activities of the Company include among others the operating expenses on the Company's operation.

Cost of services such as commissions, direct personnel costs, stock exchange dues and fees, central depository fees and communication costs are recognized when the related revenue is earned or when the service is rendered. The majority of operating expenses incurred by the Company are overhead in nature and are recognized with regularity as the Company continues its operations.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of assets embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### Contingent Liabilities and Contingent Assets

Contingent liabilities are not recognized but are disclosed in the financial statements unless the possibility of an outflow of assets embodying economic benefits is remote. Contingent assets are not recognized but are disclosed in the financial statements when an inflow of economic benefits is probable.

### Income Taxes

#### *Current tax*

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

#### *Deferred tax*

Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the statement of financial condition date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences and carryforward of unused tax credits from MCIT and unused NOLCO can be utilized. Deferred tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affect neither the accounting income nor taxable income.

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

Deferred tax assets and deferred tax liabilities are measured at the tax rates that are applicable 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 statement of financial condition date.

Current tax and deferred tax relating to items recognized directly in OCI is also recognized in OCI and shall not affect profit or loss.

### Events after the Reporting Date

Post-year-end events that provide additional information about the Company's position at the statement of financial condition date (adjusting event) are reflected in the financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when material to the financial statements.

### New standards and interpretations that have been issued but are 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 unless otherwise indicated.

*Effective beginning on or after January 1, 2023*

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

*Effective beginning on or after January 1, 2024*

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

*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*

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### 3. Significant Accounting Judgments and Estimates

The preparation of the financial statements in accordance with PFRS requires the Company to make judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates 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. However, actual outcome can differ from these estimates.

#### Judgments

The Company does not have significant accounting judgments which have the most significant effect on the amounts recognized in the financial statements.

#### Estimates

##### *Recognition of deferred tax assets*

Deferred tax assets are recognized for deductible temporary differences, NOLCO and excess of MCIT over RCIT. The Company reviews the carrying amount of deferred tax assets at each reporting date and reduces it to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized.

Based on the Company's forecast and expected reversal of certain taxable temporary differences, management assessed that the Company will not be able to utilize the deferred tax assets in the foreseeable future.

As at December 31, 2022 and 2021, the Company recognized deferred tax assets amounting to nil and ₱0.06 million, respectively, on NOLCO and MCIT (Note 15).

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#### 4. Fair Value Measurement

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- 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

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

*Financial instruments whose carrying amounts approximate fair values*

The carrying amounts of cash and cash equivalents, short-term investments, receivable from customers and clearing house, other receivables and financial liabilities at amortized cost, which are all subject to normal trade credit terms and are mostly short-term in nature, approximate their fair values.

*Financial assets at FVTPL and financial assets at FVOCI*

The fair values are based upon quoted market prices in an active market without any adjustments, classified under Level 1 in the fair value hierarchy.

*Exchange trading right*

As of December 31, 2022 and 2021, the fair value of the Company's exchange trading right amounts to ₱8.00 million and ₱9.00 million. This is classified under Level 3 in the fair value hierarchy.

In 2022 and 2021, there were no transfers of financial instruments between Level 1 and Level 2 and into and out of Level 3 in the fair value hierarchy.

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#### 5. Cash and Cash Equivalents

This account consists of:

	2022	2021
Petty cash fund	<b>₱5,000</b>	₱5,000
Cash in banks (Note 16)	<b>14,786,132</b>	11,143,505
Cash equivalents	<b>17,751,106</b>	16,091,596
	<b>₱32,542,238</b>	₱27,240,101

Cash in banks earn annual interest at the respective bank deposit rates ranging from 0.05% to 4.88% and 0.05% to 0.63% in 2022 and 2021.

Cash equivalents are short-term United States (US) dollar-denominated placements with annual interest rate from 0.55% to 3.25% and 0.55% to 0.63% in 2022 and 2021, respectively. These short-term placements are maintained for varying periods of up to three months depending on the immediate cash requirements of the Company.

In compliance with SRC Rule 49.2-4, *Special Reserve Bank Account for the Exclusive Benefit of Customers*, covering customer protection and custody of securities, the Company maintains a special reserve bank account for the exclusive benefit of its customers included under cash in banks amounting to ₱2.01 million as of December 31, 2022 and 2021. The Company's reserve requirement is determined monthly based on the SEC's prescribed computations. As of December 31, 2022, and 2021, the Company's reserve account is adequate to cover its reserve requirement.

Interest income from cash and cash equivalents recognized in the statements of income amounted to ₱0.27 million and ₱0.13 million in 2022 and 2021, respectively (Note 16).

## 6. Financial Assets at FVTPL

This account consists of investments in quoted equity securities amounting to ₱13.34 million and ₱18.47 million as of December 31, 2022 and 2021, respectively. Fair value losses amounted to ₱2.15 million and ₱0.25 million in 2022 and 2021, respectively.

Movements in the fair value changes of the financial assets at FVTPL are as follows:

	2022	2021
Balance at beginning of year	<b>₱18,472,300</b>	₱18,840,720
Additional investments during the year	—	4,600,000
Disposals during the year	<b>(2,990,000)</b>	(4,717,500)
Fair value changes during the year	<b>(2,146,500)</b>	(250,920)
	<b>₱13,335,800</b>	₱18,472,300

Dividend income on financial assets at FVTPL amounted to ₱0.99 million and ₱1.15 million in 2022 and 2021, respectively.

## 7. Receivable from and Payable to Customers

Receivable from customers account consists of:

	2022		2021	
	Money Balance	Security Valuation - long	Money Balance	Security Valuation - long
<b>Fully secured accounts</b>				
More than 250%	<b>₱323,311</b>	<b>₱6,849,883</b>	₱3,385,947	₱19,536,024
Between 150% and 250%	—	—	—	—
Between 100% and 150%	—	—	—	—
<b>Partially secured</b>				
Less than 100%	—	—	374,330	297,367
<b>Unsecured accounts</b>	<b>947,401</b>	—	1,268,249	—
	<b>₱1,270,712</b>	<b>₱6,849,883</b>	₱5,028,526	₱19,833,391

Payable to customers account consists of:

	2022		2021	
	Money Balance	Security Valuation – long	Money Balance	Security Valuation – long
With money balances	₱16,437,184	₱150,976,592	₱12,318,069	₱170,196,145
Without money balance	–	1,046,385,829	–	1,110,080,939
	₱16,437,184	₱1,197,362,421	₱12,318,069	₱1,280,277,084

Receivable from and payable to customers are generally settled three days after the transaction date. The outstanding balances with the customers were collected or paid in January of the succeeding year.

## 8. Receivable from and Payable to Clearing House

As of December 31, 2022, and 2021, the Company's receivable from clearing house amounted to ₱16.59 million and ₱12.43 million, respectively.

As of December 31, 2022, and 2021, the Company's payable to clearing house amounted to ₱1.27 million and ₱5.01, respectively.

Receivable from and payable to clearing house are settled three days after the transaction date at net. The outstanding balances with the clearing house have been collected or paid in January of the succeeding year.

## 9. Offsetting of Financial Assets and Financial Liabilities

The Company is required to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreements or similar arrangements. The effects of these arrangements are disclosed in the succeeding tables.

### Financial assets

December 31, 2022					
Financial assets recognized at end of reporting period by type	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial condition [a-b]	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria	Net exposure [c-d]
	[a]	[b]	[c]	[d]	[e]
Receivable from customers and other brokers	₱1,270,712	₱–	₱1,270,712	₱6,849,883	₱–
Receivable from clearing house	16,593,053	–	16,593,053	1,267,178	15,325,875

December 31, 2021					
Financial assets recognized at end of reporting period by type	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial condition [a-b]	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria	Net exposure [c-d]
	[a]	[b]	[c]	[d]	[e]
Receivable from customers and other brokers	P5,028,526	P–	P5,028,526	P3,433,017	P1,595,509
Receivable from clearing house	12,429,063	5,010,410	7,418,653	–	7,418,653

### Financial Liabilities

December 31, 2022					
Financial liabilities recognized at end of reporting period by type	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial condition [a-b]	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria	Net exposure [c-d]
	[a]	[b]	[c]	[d]	[e]
Payable to customers and other brokers	P16,437,184	P–	P16,437,184	P1,197,362,421	P–
Payable to clearing house	1,267,178	–	1,267,178	16,593,053	–

December 31, 2021					
Financial liabilities recognized at end of reporting period by type	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial condition [a-b]	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria	Net exposure [c-d]
	[a]	[b]	[c]	[d]	[e]
Payable to customers and other brokers	P12,318,069	P–	P12,318,069	P4,120,417	P8,197,652
Payable to clearing house	5,010,410	–	5,010,410	–	5,010,410

## 10. Financial Assets at FVOCI and Exchange Trading Right

Republic Act (RA) No. 8799, *Securities Regulation Code*, prescribed the conversion of the PSE into a stock corporation effective on August 8, 2001, pursuant to a conversion plan approved by the SEC.

As a result of the conversion plan and on the basis of the relative fair values of the PSE shares and the exchange trading right as of the time of the demutualization, the Company's membership in the PSE has been bifurcated into (a) investment in PSE shares and (b) exchange trading right. As of December 31, 2022, and 2021, the carrying values of the investment in PSE shares included in 'Financial assets at FVOCI' and the 'Exchange trading right' follow:

	2022	2021
Financial assets at FVOCI (240,000 shares as of December 31, 2022 and 2021)	<b>P37,920,000</b>	P51,600,000
Exchange trading right	<b>5,000,000</b>	5,000,000
	<b>P42,920,000</b>	P56,600,000

As of December 31, 2022, and 2021, the latest transacted price of the exchange trading right amounted P8.0 million and P9.0 million, respectively.

The fair value of PSE shares is based on the closing market price as of December 31, 2022 and 2021 amounting to ₱158.00 and ₱ 215.00 per share, respectively.

The movements in fair value reserves on financial assets at FVOCI (net of deferred taxes) are as follows:

	2022	2021
Balances at beginning of year	<b>₱28,481,250</b>	₱16,317,700
Net change in fair value reserves on financial assets at FVOCI recognized in OCI	<b>(13,680,000)</b>	14,664,000
Income tax effect	<b>3,420,000</b>	(2,500,450)
	<b>(10,260,000)</b>	12,163,550
Balances at end of year	<b>₱18,221,250</b>	₱28,481,250

Dividend income on financial assets at FVOCI amounted to ₱2.64 million and ₱1.92 in 2022 and 2021, respectively.

## 11. Property and Equipment

The roll forward in property and equipment follows:

	2022		
	Furniture, Fixtures and Equipment	Transportation Equipment	Total
<b>Cost</b>			
Balances at beginning of year	<b>₱895,741</b>	<b>₱19,464</b>	<b>₱915,205</b>
Additions	<b>44,643</b>	–	<b>44,643</b>
Write-off	<b>(360,701)</b>	–	<b>(360,701)</b>
Balances at end of year	<b>579,683</b>	<b>19,464</b>	<b>599,147</b>
<b>Accumulated Depreciation</b>			
Balances at beginning of year	<b>824,580</b>	<b>14,464</b>	<b>839,044</b>
Depreciation	<b>33,528</b>	<b>2,000</b>	<b>35,528</b>
Disposals	–	–	–
Write-off	<b>(360,701)</b>	–	<b>(360,701)</b>
Balances at end of year	<b>497,407</b>	<b>16,464</b>	<b>513,871</b>
<b>Net Book Values at end of year</b>	<b>₱82,276</b>	<b>₱3,000</b>	<b>₱85,276</b>

	2021		
	Furniture, Fixtures and Equipment	Transportation Equipment	Total
<b>Cost</b>			
Balances at beginning of year	<b>₱895,741</b>	<b>₱14,464</b>	<b>₱910,205</b>
Additions	–	5,000	5,000
Balances at end of year	<b>895,741</b>	<b>19,464</b>	<b>915,205</b>
<b>Accumulated Depreciation</b>			
Balances at beginning of year	<b>793,850</b>	<b>12,464</b>	<b>806,314</b>
Depreciation	<b>30,730</b>	<b>2,000</b>	<b>32,730</b>
Disposals	–	–	–
Balances at end of year	<b>824,580</b>	<b>14,464</b>	<b>839,044</b>
<b>Net Book Values at end of year</b>	<b>₱71,161</b>	<b>₱5,000</b>	<b>₱76,161</b>

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As of December 31, 2022, and 2021, the cost of fully depreciated property and equipment still in use amounted to ₱0.40 million and ₱0.75 million, respectively.

## 12. Other Assets and Other Liabilities

### Other Assets

This account consists of:

	2022	2021
<b>Current</b>		
Creditable withholding taxes	<b>₱2,341,667</b>	₱1,743,866
Prepaid insurance	<b>35,130</b>	–
Prepaid taxes and licenses	<b>35,885</b>	35,885
	<b>2,412,682</b>	1,779,751
<b>Noncurrent</b>		
Deposit and refundable contributions to CTGF	<b>914,338</b>	863,474
Other refundable deposits	<b>1,600</b>	1,600
	<b>915,938</b>	865,074
	<b>₱3,328,620</b>	₱2,644,825

The Company made an initial contribution (PSE contribution or the “seed money”) of ₱0.49 million to the Securities Clearing Corporation of the Philippines (SCCP) as a prerequisite to the Company’s accreditation as a clearing member of SCCP.

In addition, the Company, as a clearing member, is required to pay monthly contributions to the CTGF maintained by the SCCP for an amount of 1/500 of 1% applied to the Clearing Member’s total monthly turnover value less block sales and cross transactions of the same flag. Before 2018, the Company recognized the contributions as expenses included in ‘Stock exchange dues and fees’.

On March 15, 2017, the BOD of SCCP approved the amendments to Rule 5.2 of its Revised Clearinghouse Rules and Clause 4.3.1.3 of its Revised Clearinghouse Operating Procedures making the CTGF contribution refundable to clearing members upon cessation of their business and/or termination of their membership with SCCP, provided that all liabilities owing to SCCP at the time of termination, whether actual or contingent, shall have been satisfied or paid in full. These proposed amendments have been approved by SEC on March 13, 2018. The amendments took effect on August 1, 2018 and shall apply only to all current and actively operating PSE Trading Participants/Clearing Members of the SCCP.

As of December 31, 2022, and 2021, the total refundable contributions to CGTF amounted to ₱0.91 million and ₱0.86 million, respectively. In 2022 and 2021 contributions to CTGF amounted to ₱0.05 million and ₱0.06 million, respectively.

### Other Liabilities

This account consists of:

	2022	2021
Dividends payable to customers	<b>₱332,199</b>	301,778
Stale checks	<b>82,793</b>	80,507
Withholding taxes payable	<b>59,640</b>	8,639
VAT payable	<b>44,856</b>	52,745
Subscription payable	–	629,276
	<b>₱519,488</b>	₱1,072,945

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Stale checks represent the uncashed checks issued to customers for their dividend earnings that remained outstanding for the period of six (6) months or longer.

Subscription payable pertaining to the payable of customers for the subscription of shares in initial public offerings or stock rights offerings.

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### 13. Equity

#### Common Share Capital

As of December 31, 2022, and 2021, this account consists of:

	2022	2021
Common shares - ₱100 par value		
Authorized - 500,000 shares		
Subscribed - 312,500 shares		
(net of subscriptions receivable of		
₱11,156,100 in 2022 and 2021)	<b>₱20,093,900</b>	<b>₱20,093,900</b>

#### Capital Management

The primary objectives of the Company's capital management are to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value, and to ensure compliance with externally imposed capital requirements.

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 adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes in 2022 and 2021.

The Company has complied with externally imposed capital requirements as at December 31, 2022 and 2021.

#### Regulatory Qualifying Capital

RBCA ratio of a broker dealer, computed by dividing the Net Liquid Capital (NLC) by the Total Risk Capital Requirement (TRCR), should not be less than 110.00%. NLC and TRCR are computed based on the existing SRC. NLC consists of total equity adjusted for allowance for market decline, subordinated liabilities, deferred tax assets/liabilities, revaluation reserves, deposits for future stock subscription, minority interest, if any, contingencies and guarantees and the total ineligible assets. Also, the Aggregated Indebtedness (AI) of every stockbroker should not exceed 2,000.00% of its NLC and at all times shall have and maintain NLC of at least ₱5.00 million or 5.00% of the AI, whichever is higher.

As of December 31, 2022, and 2021, the Company is in compliance with the RBCA ratio. The RBCA ratio of the Company, which is based on audited balances as of December 31, 2022 and 2021, is as follows:

	2022	2021
<b>Equity eligible for net liquid capital</b>	<b>P91,634,521</b>	P104,027,351
<b>Less: Ineligible assets</b>	<b>46,442,146</b>	59,325,286
<b>NLC</b>	<b>P45,192,375</b>	P44,702,065
<b>Operational risk</b>	<b>P1,697,455</b>	P1,372,641
<b>Position risk</b>	<b>6,087,618</b>	7,752,633
<b>TRCR</b>	<b>P7,785,074</b>	P9,125,274
<b>AI</b>	<b>P18,541,378</b>	P15,820,771
<b>5% of AI</b>	<b>927,069</b>	791,039
<b>Required NLC</b>	<b>5,000,000</b>	5,000,000
<b>Net Risk-Based Capital Excess</b>	<b>40,192,375</b>	39,702,065
<b>Ratio of AI to NLC</b>	<b>41%</b>	35%
<b>RBCA ratio</b>	<b>581%</b>	490%

The following are the definition of terms used in the RBCA ratio computation:

*Ineligible assets*

These pertain to fixed assets and assets which cannot be readily converted into cash.

*Operational risk requirement*

The amount required to cover a level of operational risk which is the exposure associated with commencing and remaining in business arising separately from exposures covered by other risk requirements. It is the risk of loss resulting from inadequate or failed internal processes, people and systems which include, among others, risks of fraud, operational or settlement failure and shortage of liquid resources, or from external events.

*Position risk requirement*

This amount is necessary to accommodate a given level of position risk. Position risk is a risk to which a broker dealer is exposed to and arising from securities held by it as a principal or in its proprietary or dealer account.

*Counterparty risk requirement*

This amount is necessary to accommodate a given level of counterparty risk. Counterparty risk is the risk of a counterparty defaulting on its financial obligation to a broker dealer.

*Large exposure risk (LER) requirements*

These amounts are necessary to accommodate a given level of the Broker Dealer LER which is in excess of the LER limit. LER limit is the maximum permissible large exposure and calculated as percentage of Core Equity.

*Aggregate indebtedness*

This is the total money liabilities of a broker dealer arising in connection with any transaction whatsoever, and includes, among other things, money borrowed, money payable against securities loaned and securities failed to receive, the market value of securities borrowed to the extent to which no equivalent value is paid or credited (other than the market value of margin securities borrowed from customers and margin securities borrowed from non-customers), customers' and non-customers' free credit balances and credit balances in customers' and non-customers' account having short positions in securities subject to the exclusions provided in the said SEC Memorandum.

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### Reserves

In addition, SRC Rule 49.1 (B), *Reserve Fund* of SEC Memorandum Circular No. 16 requires that every broker dealer shall annually appropriate a certain minimum percentage of its audited income after tax and transfer the same to appropriated retained earnings. Appropriation shall be 30%, 20% and 10% of profit after tax for broker dealers with unimpaired paid-up capital of ₱10.0 million to ₱30.0 million, above ₱30.0 million to ₱50.0 million and above ₱50.0 million, respectively.

The Company, having an unimpaired paid-up capital amounting to ₱37.72 million in 2022 and 2021, allocates 20% of its net income as appropriation for reserve fund. In compliance with the aforementioned SEC rule, the BOD approved the appropriation of retained earnings amounting to ₱0.26 million and ₱0.90 million in 2022 and 2021, respectively.

As of December 31, 2022, and 2021, the unappropriated retained earnings amounted to ₱20.98 million and ₱19.95 million, respectively.

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## 14. Cost of Services

This account consists of:

	2022	2021
Salaries, wages and employee benefits - operations	<b>₱646,021</b>	₱658,220
Stock exchange dues and fees	<b>489,376</b>	520,583
Commissions	<b>179,384</b>	239,638
Central depository fees	<b>129,730</b>	127,316
Trainings and seminars	<b>118,421</b>	15,200
Communication expense	<b>11,720</b>	11,766
	<b>₱1,574,652</b>	₱1,572,723

The Company follows the Broker Dealer Chart of Accounts as prescribed by SEC in its Memorandum Circular No. 1, series of 2010, in classifying expenses as cost of service.

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## 15. Income Taxes

Income taxes include the corporate income tax, as discussed below, and final taxes paid at the rate of 20.0% and 15.0% for local and foreign currency-denominated deposits, respectively, which is a final withholding tax on gross interest income from deposit in banks and short-term investments.

Provision for income tax consists of:

	2022	2021
Current:		
Final	<b>₱45,599</b>	₱21,070
RCIT	—	85,177
MCIT	<b>71,818</b>	—
	<b>117,417</b>	106,247
Deferred	<b>(29,027)</b>	(93,141)
	<b>₱88,390</b>	₱13,106

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Benefit from deferred income tax on unrealized loss from financial assets at FVOCI charged directly to OCI in 2022 and 2021 amounted to ₱3.42 million and ₱2.50 million, respectively.

The components of the Company's net deferred tax liability are as follows:

	2022	2021
Deferred tax liabilities on:		
<i>Recognized in profit or loss:</i>		
Unrealized gain on financial assets at FVTPL	₱–	₱89,325
<i>Recognized in OCI:</i>		
Unrealized gain on financial assets at FVOCI	6,073,750	9,493,750
	<b>6,073,750</b>	<b>9,583,075</b>
Deferred tax assets on:		
<i>Recognized in profit or loss:</i>		
MCIT	–	60,298
	–	60,298
Net deferred tax liability	<b>₱6,073,750</b>	<b>₱9,522,777</b>

The balances of NOLCO and excess MCIT over RCIT with their corresponding years of expiry are as follows:

	Inception	Amount	Used	Expired	Remaining Balance	Expiry Year
NOLCO	2018	₱1,085,045	₱1,085,045	₱–	₱–	2021
	2019	3,170,407	148,955	3,021,452	–	2022
	2020	2,750,136	–	–	2,750,136	2025
	2022	379,878	–	–	379,878	2025
Total		<b>₱7,385,466</b>	<b>₱1,234,000</b>	<b>₱3,021,452</b>	<b>₱3,130,014</b>	

	Inception	Amount	Used	Expired	Remaining Balance	Expiry Year
Excess MCIT over RCIT	2018	₱66,691	₱66,691	₱–	₱–	2021
	2019	42,184	18,486	23,698	–	2022
	2020	36,600	–	–	36,600	2023
	2022	71,818	–	–	71,818	2025
Total		<b>₱217,293</b>	<b>₱85,177</b>	<b>₱23,698</b>	<b>₱108,418</b>	

As of December 31, 2022 and 2021, the Company did not recognize the following deferred tax assets on unused tax credit and losses and temporary differences since management believes that the Company may not be able to generate sufficient future taxable income that will be available to allow all or part of the deferred tax assets to be utilized:

	2022	2021
NOLCO	<b>₱782,503</b>	₱1,442,897
Unrealized losses on financial asset at FVTPL	<b>447,300</b>	–
MCIT	<b>108,418</b>	–
	<b>₱1,338,221</b>	<b>₱1,442,897</b>

**\*SGVFS183071\***

A reconciliation between the statutory income tax to the effective income tax follows:

	2022	2021
Statutory income tax	<b>₱343,890</b>	₱1,130,942
Tax effects of:		
Income exempt from tax	<b>(906,994)</b>	(766,320)
Interest income subject to final tax	<b>(22,892)</b>	(12,605)
Nondeductible expenses	<b>507,599</b>	—
Movement in unrecognized deferred tax assets	<b>94,969</b>	(308,500)
Excess of MCIT over RCIT	<b>71,818</b>	—
Effect of change in tax rate	—	(30,411)
Effective income tax	<b>₱88,390</b>	₱13,106

## 16. Related Party Disclosures

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control or common significant influence, referred to as affiliates. Related parties may be individuals or corporate entities.

Transactions between related parties are accounted for at arm's length prices or on terms similar to those offered to non-related entities in an economically comparable market and are to be settled in cash.

Details of the significant related party transactions of the Company are as follows:

Category	Outstanding balance/Volume		Nature, Terms and Conditions
	2022	2021	
<u>Affiliates</u>			
<b>JSG Properties and Management Corporation</b>			
Commissions	525	4,553	Income earned from stock brokerage services
<b>JSG Holding Corporation</b>			
Commissions	263	816	Income earned from stock brokerage services
<b>Bank One Saving &amp; Trust Corporation</b>			
Cash and cash equivalents	4,823,091	486,844	Unsecured deposits in a local bank
Interest income	4,811	4,023	Interest earned at the prevailing bank deposit rates in 2021 and 2020
<u>Stockholders</u>			
Commissions	12,366	188,962	Income earned from stock brokerage services

Volume of trading transactions brokered by the Company on behalf of its related parties in 2022 and 2021 follows:

	2022		2021	
	Purchases	Sales	Purchases	Sales
JSG Properties and Management Corporation	<b>₱—</b>	<b>₱210,000</b>	₱—	₱1,797,711
JSG Holding Corporation	—	<b>105,000</b>	—	302,821
	<b>₱—</b>	<b>₱315,000</b>	₱—	₱2,100,532

**\*SGVFS183071\***

*Remuneration of key management personnel*

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company considers the President and Vice President to constitute key management personnel.

Short-term compensation benefits of key management personnel amounted to P1.19 million and P0.97 million in 2022 and 2021.

There are no arrangements between the Company and any of its directors and key offices providing for benefits upon termination of employment.

## 17. Financial Risk Management Objectives and Policies

Policies on Financial Instruments

The financial instruments of the Company consist of cash and cash equivalents, receivable from customers, receivable from clearing house, other receivables, financial assets at FVTPL, financial assets at FVOCI, payable to customers, payable to clearing house and other accrued expenses. The main purpose of these financial instruments is to raise financing for the Company's operations.

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

Credit Risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations as and when they fall due. It is inherent to the stock brokerage business as potential losses may arise due to the failure of its customers and counterparties to fulfill their trading obligations on settlement dates or the possibility of the value of collateral held to secure obligations becoming inadequate due to adverse market conditions.

The Company minimizes its exposure to credit risk by trading only with recognized, creditworthy third parties. It is the Company's policy that all customers are subjected to credit verification procedures. Moreover, the Company also requires its customers to deposit funds to their accounts and to limit their purchases to the amount of cash deposit.

In accordance with the RBCA requirement, limit is imposed to avoid large exposures on single client or counterparty, single debt issue and single equity relative to particular issuer company and its group of companies.

*Maximum exposure to credit risk*

Except for receivable from customers and other brokers, the carrying values of the Company's financial assets as reflected in the statements of financial condition and related notes already represent the financial asset's maximum exposure to credit risk before and after taking into account collateral held or other credit enhancements.

An analysis of the maximum exposure to credit risk after taking into account any collateral held or other credit enhancements is shown below:

	2022			2021		
	Carrying Amount	Fair Value of Collateral	Maximum Exposure to Credit Risk	Carrying Amount	Fair Value of Collateral	Maximum Exposure to Credit Risk
Receivable from customers	P1,270,712	P6,849,883	P-	P5,028,526	P19,833,391	P-

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With respect to credit risk arising from the other financial assets of the Company, which mainly comprise cash and cash equivalents, receivable from clearing house, dividends receivable and accrued interest receivable, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

As of December 31, 2022, and 2021, the Company does not have financial guarantees and loan commitments and other credit-related liabilities.

*Risk concentration of the maximum exposure to credit risk*

The distribution of financial assets by counterparty of the Company as of December 31, 2022 and 2021 follows:

	2022					
	Trade Receivables*		Other Financial Assets**		Total	
	Amount	%	Amount	%	Amount	%
Banks and other financial institutions	<b>P17,288,231</b>	<b>96.78</b>	<b>P32,554,777</b>	<b>38.81</b>	<b>P49,843,008</b>	<b>48.98</b>
Individuals	<b>575,534</b>	<b>3.22</b>	—	—	<b>575,534</b>	<b>0.57</b>
Industrial	—	—	<b>51,338,461</b>	<b>61.19</b>	<b>51,338,461</b>	<b>50.45</b>
	<b>P17,863,765</b>	<b>100.00</b>	<b>P83,893,238</b>	<b>100.00</b>	<b>P101,757,003</b>	<b>100.00</b>

\*Trade receivables consist of receivable from customers and clearing house

\*\*Other financial assets consist of cash and cash equivalents (excluding cash on hand), financial assets at FVTPL, financial assets at FVOCI and other receivables

	2021					
	Trade Receivables*		Other Financial Assets**		Total	
	Amount	%	Amount	%	Amount	%
Banks and other financial institutions	P13,103,996	75.06	P45,724,763	46.90	P58,828,759	51.18
Individuals	4,353,593	24.94	—	—	4,353,593	3.79
Industrial	—	—	51,760,469	53.10	51,760,469	45.03
	<b>P17,457,589</b>	<b>100.00</b>	<b>P97,485,232</b>	<b>100.00</b>	<b>P114,942,821</b>	<b>100.00</b>

\*Trade receivables consist of receivable from customers and clearing house

\*\*Other financial assets consist of cash and cash equivalents (excluding cash on hand), financial assets at FVTPL, financial assets at FVOCI, and other receivables

*Credit quality per class of financial assets*

The tables below show the credit quality by financial assets (gross of allowance for credit losses) of the Company:

	2022				
	Neither past due nor impaired			Past due or individually impaired	Total
	High	Standard	Substandard		
Cash and cash equivalents*	<b>P32,537,238</b>	<b>P—</b>	<b>P—</b>	<b>P—</b>	<b>P32,537,238</b>
Financial assets at FVTPL	<b>13,335,800</b>	—	—	—	<b>13,335,800</b>
Financial assets at FVOCI	<b>37,920,000</b>	—	—	—	<b>37,920,000</b>
Receivable from customers	<b>1,270,712</b>	—	—	—	<b>1,270,712</b>
Receivable from clearing house	<b>16,593,053</b>	—	—	—	<b>16,593,053</b>
Other receivables	<b>100,200</b>	—	—	—	<b>100,200</b>
	<b>P101,757,003</b>	<b>P—</b>	<b>P—</b>	<b>P—</b>	<b>P101,757,003</b>

\*Excluding cash on hand



	2021				
	Neither past due nor impaired			Past due or individually impaired	Total
	High	Standard	Substandard		
Cash and cash equivalents*	P27,235,101	P—	P—	P—	P27,235,101
Financial assets at FVTPL	18,472,300	—	—	—	18,472,300
Financial assets at FVOCI	51,600,000	—	—	—	51,600,000
Receivable from customers	5,028,526	—	—	—	5,028,526
Receivable from clearing house	12,429,063	—	—	—	12,429,063
Other receivables	259,867	—	—	—	259,867
	P115,024,857	P—	P—	P—	P115,024,857

\*Excluding cash on hand

The Company's bases in grading its financial assets are as follows:

*Receivable from customers and others*

- High grade - current receivables or accounts that fall within T+3 and with high probability of collection due to apparent ability of the counterparty to settle the obligation.
- Standard grade - accounts that are beyond the T+3 but the corresponding collateral valuation is sufficient to cover the overdue amount.
- Substandard grade - past due accounts and partially secured by collateral.

Liquidity Risk

Liquidity risk arises from the possibility that the Company may encounter difficulties in raising funds to meet commitments from financial instruments.

The Company's objectives to manage its liquidity profile are: a) to ensure that adequate funding is available at all times; b) to meet commitments as they arise without incurring unnecessary costs; and c) to be able to access funding when needed at the least possible cost.

*Financial assets*

Analysis of equity securities under financial assets at FVTPL and financial assets at FVOCI into maturity groupings is based on the expected date on which these assets will be realized. For other assets, the analysis into maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected date the assets will be realized.

*Financial liabilities*

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Company can be required to pay.

*Analysis of financial assets and liabilities by remaining contractual maturities*

The following tables summarize the maturity profile of the Company's financial instruments as of December 31, 2022 and 2021 based on contractual undiscounted cash flows. The table also analyzes the maturity profile of the Company's financial assets and liabilities in order to provide a complete view of the Company's contractual commitments and liquidity.

	2022					
	Up to 1 month	>1 to 3 months	>3 to 6 months	>6 to 12 months	Beyond 1 year	Total
<b>Financial Assets</b>						
Loans and receivables:						
Cash and cash equivalents*	P32,588,323	P–	P–	P–	P–	P32,588,323
Receivable from customers	1,270,712	–	–	–	–	1,270,712
Receivable from clearing house	16,593,053	–	–	–	–	16,593,053
Other receivables	100,200	–	–	–	–	100,200
Financial assets at FVTPL	13,335,800	–	–	–	–	13,335,800
Financial assets at FVOCI	–	–	–	–	37,920,000	37,920,000
Exchange trading right	–	–	–	–	5,000,000	5,000,000
Other assets – refundable deposits	–	–	–	–	915,938	915,938
	<b>P63,888,088</b>	<b>P–</b>	<b>P–</b>	<b>P–</b>	<b>P43,835,938</b>	<b>P107,724,026</b>
<b>Financial Liabilities</b>						
Payable to customers	P16,437,184	P–	P–	P–	P–	P16,437,184
Payable to clearing house	1,267,178	–	–	–	–	1,267,178
Accrued expenses	105,033	–	212,495	–	–	317,528
Dividends payable to customers	332,199	–	–	–	–	332,199
	<b>18,141,594</b>	<b>–</b>	<b>212,495</b>	<b>–</b>	<b>–</b>	<b>18,354,089</b>
Net undiscounted financial assets	<b>P45,746,494</b>	<b>P –</b>	<b>(P212,495)</b>	<b>P–</b>	<b>P43,835,938</b>	<b>P89,369,937</b>

\*Includes future interest

	2021					Total
	Up to 1 month	>1 to 3 months	>3 to 6 months	>6 to 12 months	Beyond 1 year	
Financial Assets						
Loans and receivables:						
Cash and cash equivalents*	P27,257,463	P–	P–	P–	P–	P27,257,463
Receivable from customers	5,028,526	–	–	–	–	5,028,526
Receivable from clearing house	12,429,063	–	–	–	–	12,429,063
Other receivables	160,469	–	–	–	–	160,469
Financial assets at FVTPL	–	–	–	18,472,300	–	18,472,300
Financial assets at FVOCI	–	–	–	–	51,600,000	51,600,000
Exchange trading right	–	–	–	–	5,000,000	5,000,000
Other assets – refundable deposits	–	–	–	–	865,074	865,074
	P44,875,521	P–	P–	P18,472,300	P57,465,074	P120,812,895
Financial Liabilities						
Payable to customers	P12,318,069	P–	P–	P–	P–	P12,318,069
Payable to clearing house	5,010,410	–	–	–	–	5,010,410
Accrued expenses	123,642	169,400	–	–	–	293,042
Dividends payable to customers	301,778	–	–	–	–	301,778
	17,753,899	169,400	–	–	–	17,923,299
Net undiscounted financial assets	P27,121,622	(P169,400)	P–	P18,472,300	P57,465,074	P102,889,596

\*Includes future interest

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

*Equity price risk*

Equity price risk is the risk that the fair values of equities decrease as the result of changes in the levels of equity indices and the value of individual stocks.

**\*SGVFS183071\***

Given the repricing position of the investment securities of the Company as of December 31, 2022 and 2021, if PSEi changes by 20.50% and 18.54% in 2022 and 2021, respectively, the Company would expect its unrealized gain or loss on financial assets at FVTPL to change by ₱0.70 million and ₱3.22 million, respectively.

For financial assets at FVOCI, a change of 20.50% and 18.54% in the PSEi in 2022 and 2021, respectively, would result to a change in unrealized gain or loss on financial assets at FVOCI by ₱0.86 million and ₱1.53 million, respectively.

*Interest rate risk*

As of December 31, 2022, and 2021, the Company had no interest rate risk exposure since it does not have financial instruments with floating interest rates.

*Foreign currency risk*

The Company's policy is to maintain foreign currency exposure within acceptable limits and within existing regulatory guidelines. The Company believes that its profile of foreign currency exposure on its short-term US dollar investments is within conservative limits for the type of business in which the Company is engaged in.

The exchange rate used to revalue the Company's dollar-denominated cash equivalents and short-term investments is ₱55.755:\$1 and ₱50.999:\$1 as of December 31, 2022 and 2021, respectively.

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Company's profit before income tax in 2022 and 2021. A negative amount in the table reflects a potential reduction in income while a positive amount reflects a potential increase in income. There is no impact on the Company's equity other than the effect in profit or loss.

	<b>Increase (decrease) in rate</b>	<b>Change in net income before income tax</b>
<b>2022</b>	<b>+5.0%</b>	<b>₱887,555</b>
	<b>-5.0%</b>	<b>(887,555)</b>
<b>2021</b>	<b>+5.0%</b>	<b>₱802,703</b>
	<b>-5.0%</b>	<b>(802,703)</b>

The Company recognized foreign exchange gain amounting to ₱1.50 million and ₱0.94 million in 2022 and 2021, respectively, arising from the revaluation of foreign currency-denominated cash equivalents and short-term investments.

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**18. Disclosures Required under Revenue Regulations No. 15-2010**

The Company reported and/or paid the following types of taxes for the year ended December 31, 2022:

Value-added tax (VAT)

The Company is a VAT-registered company with output VAT declaration of ₱0.88 million for the year based on net sales/receipts amounting to ₱7.33 million.

The Input VAT claimed is broken down into:

Balance at January 1	P—
Current year's domestic purchases/payments for:	
Purchase of goods other than capital goods	73,260
Domestic purchases of services	99,099
	172,359
Claims for tax credit/refund and other adjustments	(172,359)
Balance at December 31	P—

The Company's sales of services are based on actual collections received, hence, may not be the same as amounts accrued in the statements of income.

#### Other Taxes and Licenses

This includes all other taxes, local and national, including real estate taxes, licenses and permit fees lodged under the 'Taxes and Licenses' account under the 'Operating Expenses' section in the Company's statements of income:

Details consist of the following:

Business permit	P63,215
License and permit fees	35,885
Others	16,372
	P115,472

#### Withholding Taxes

Details of withholding taxes for the year are as follows:

	Total Remittances	Outstanding Balance
Withholding taxes on compensation and benefits	P93,147	P57,006
Final withholding taxes	2,516	—
Expanded withholding taxes	37,363	2,634
	P133,026	P59,640

#### Tax Assessments and Cases

The Company has no on-going tax assessments and cases as of December 31, 2022.

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## **INDEPENDENT AUDITOR'S REPORT**

The Stockholders and the Board of Directors  
JSG Securities, Inc.  
600 Carriedo Street  
Quiapo, Manila

We have audited the financial statements of JSG Securities, Inc. as of and for the year ended December 31, 2022, on which we have rendered the attached report, dated April 27, 2023.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the above Company has a total number of eight (8) stockholders owning one hundred (100) or more shares each.

**SYCIP GORRES VELAYO & CO.**

Leslie Anne G. Huang  
Partner

CPA Certificate No. 134290

Tax Identification No. 238-044-991

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

SEC Partner Accreditation No. 134290-SEC (Group A)

Valid to cover audit of 2022 to 2026 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. 08-001998-150-2022, November 7, 2022, valid until November 6, 2025

PTR No. 9564633, January 3, 2023, Makati City

April 27, 2023

**\*SGVFS183071\***

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## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES**

The Stockholders and the Board of Directors  
JSG Securities, Inc.  
600 Carriedo Street  
Quiapo, Manila

We have audited in accordance with Philippine Standards on Auditing, the financial statements of JSG Securities, Inc. (the Company) as at and for the years ended December 31, 2022 and 2021 and have issued our report thereon dated April 27, 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 Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code (SRC) Rule 68 and SRC Rule 52.1, 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.**

Leslie Anne G. Huang

Partner

CPA Certificate No. 134290

Tax Identification No. 238-044-991

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

SEC Partner Accreditation No. 134290-SEC (Group A)

Valid to cover audit of 2022 to 2026 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. 08-001998-150-2022, November 7, 2022, valid until November 6, 2025

PTR No. 9564633, January 3, 2023, Makati City

April 27, 2023

**\*SGVFS183071\***

**JSG SECURITIES, INC.**  
**INDEX TO THE SUPPLEMENTARY SCHEDULES**

- Annex A:       Supplementary Schedules Required by Securities Regulation Code 52.1
- Statement of changes in liabilities subordinated to claims of general creditors
  - Computation of risk-based capital adequacy requirement pursuant to SEC Memorandum Circular No. 16
  - Information relating to the possession or control requirements under SRC Rule 49.2 - Annex 49.2-A
  - Computation for determination of reserve requirements under SRC Rule 49.2 - Annex 49.2-B
  - A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit
  - Results of monthly securities count conducted pursuant to SRC Rule 52.1.10 as of balance sheet date

**SCHEDULE I**

**JSG SECURITIES, INC.  
STATEMENT OF CHANGES IN LIABILITIES  
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS  
DECEMBER 31, 2022**

There are no liabilities subordinated to claims of general creditors.



**SCHEDULE II**

**JSG SECURITIES, INC.**  
**RISK-BASED CAPITAL ADEQUACY WORKSHEET**  
**PURSUANT TO SEC MEMORANDUM CIRCULAR NO. 16**  
**DECEMBER 31, 2022**  
**(Amounts in Philippine Peso Except for Ratios)**

<b>Assets</b>	<b>₱110,175,899</b>
<b>Liabilities</b>	<b>24,615,128</b>
<b>Equity as per books</b>	<b>85,560,771</b>
<b>Adjustments to Equity per books</b>	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in propriety accounts	
Deferred Income Tax	<b>6,073,750</b>
Revaluation Reserves	
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
<b>Total Adjustments to Equity per books</b>	<b>6,073,750</b>
<b>Equity Eligible For Net Liquid Capital</b>	<b>91,634,521</b>
<b>Contingencies and Guarantees</b>	
Deduct: Contingent Liability	
Guarantees or indemnities	
<b>Ineligible Assets</b>	
a. Trading Right and all Other Intangible Assets (net)	<b>5,000,000</b>
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	<b>85,276</b>
d. All Other Current Assets	<b>71,014</b>
e. Securities Not Readily Marketable	
f. Negative Exposure (SCCP)	<b>108,250</b>
g. Notes Receivable (non-trade related)	
h. Interest and Dividends Receivables outstanding for more than 30 days	
i. Ineligible Insurance claims	
j. Ineligible Deposits	
k. Short Security Differences	
l. Long Security Differences not resolved prior to sale	
m. Other Assets including Equity Investment in PSE	<b>41,177,606</b>
Total ineligible assets	<b>46,442,146</b>
<b>Net Liquid Capital (NLC)</b>	<b>45,192,375</b>
Less:	
Operating Risk Requirement	<b>1,697,455</b>
Position Risk Requirement	<b>6,087,618</b>
Counterparty Risk	
<b>Large Exposure Risk</b>	
LERR to a single client	
LERR to a single debt	
LERR to a single issuer and group of companies	
<b>Total Risk Capital Requirement (TRCR)</b>	<b>7,785,074</b>
<b>Net RBCA Margin (NLC-TRCR)</b>	<b>37,407,301</b>
<b>Liabilities</b>	<b>24,615,128</b>
<b>Add: Deposit for Future Stock Subscription (No application with SEC)</b>	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	
Loans secured by securities	
Loans secured by fixed assets	
Others	<b>6,073,750</b>
<b>Total adjustments to AI</b>	<b>(6,073,750)</b>
<b>Aggregate Indebtedness</b>	<b>18,541,378</b>
<b>5% of Aggregate Indebtedness</b>	<b>927,069</b>
<b>Required Net Liquid Capital (&gt; of 5% of AI or ₱5M)</b>	<b>5,000,000</b>
<b>Net Risk-based Capital Excess / (Deficiency)</b>	<b>40,192,375</b>
<b>Ratio of AI to Net Liquid Capital</b>	<b>41%</b>
<b>RBCA Ratio (NLC/TRCR)</b>	<b>581%</b>

\*Assets and liabilities do not tie up with the audited financial statements due to the effect of grossing up.

**SCHEDULE III**

**JSG SECURITIES, INC.  
INFORMATION RELATING TO THE POSSESSION OR  
CONTROL REQUIREMENTS UNDER SRC RULE 49.2  
DECEMBER 31, 2022**

Customers' fully paid securities and excess margin securities not in the broker's or dealer's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date but for which the required action was not taken by respondent within the time frame specified under SRC Rule 49.2):

Market Valuation:	<u>NIL</u>
Number of items	<u>NIL</u>

Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under SRC Rule 49.2:

Market Valuation:	<u>NIL</u>
Number of items	<u>NIL</u>

**SCHEDULE IV**

**JSG SECURITIES, INC.  
COMPUTATION FOR DETERMINATION OF  
RESERVE REQUIREMENTS UNDER SRC RULE 49.2  
DECEMBER 31, 2022**

Particulars	Credits	Debits
1. Free credit balance and other credit balance in customers' security accounts.	₱15,557,516	
2. Monies borrowed collateralized by securities carried for the account of customers.		
3. Monies payable against customers' securities loaned.		
4. Customers' securities failed to receive	350,175	
5. Credit balances in firm accounts which are attributable to principal sales to customer.		
6. Market value of stock dividends stock splits and similar distributions receivable outstanding over 30 calendar days old.		
7. Market value of the short security count differences over 30 calendar days old.		
8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days.		
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.		
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		₱320,078
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to delivery.		
12. Failed to deliver customers' securities not older than 30 calendar days.		15,325,875
13. Others		
Total	₱15,907,691	₱15,645,953
Net Credit / (Debit)	₱261,738	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	₱274,825	
Special Reserve Account balance prior to computation	₱2,013,588	
Less: Deposit Required	274,825	
Additional Deposit Required	₱	

**SCHEDULE V**

**JSG SECURITIES, INC.  
A REPORT DESCRIBING ANY MATERIAL INADEQUACIES  
FOUND TO EXIST OR FOUND TO HAVE EXISTED  
SINCE THE DATE OF THE PREVIOUS AUDIT  
DECEMBER 31, 2022**

There were no matters involving the Company's internal control structure and its operations that were considered to be material weaknesses.

**SCHEDULE VI**

**JSG SECURITIES, INC.  
RESULTS OF MONTHLY SECURITIES COUNT  
CONDUCTED PURSUANT TO SRC RULE 52.1-10,  
AS AMENDED, AS OF THE DATE OF THE STATEMENTS OF FINANCIAL  
CONDITION IN THE ANNUAL AUDITED FINANCIAL REPORT  
DECEMBER 31, 2022**

There is no discrepancy in the result of the securities count conducted. Refer to attached summary.

**JSG SECURITIES, INC.**

**RESULTS OF MONTHLY SECURITIES COUNT CONDUCTED PURSUANT TO  
SRC RULE 52.1-10, AS AMENDED, AS OF THE DATE OF THE STATEMENTS OF  
FINANCIAL CONDITION IN THE ANNUAL AUDITED FINANCIAL REPORT  
DECEMBER 31, 2022**

STOCK	MV AS OF	TOTAL		IN VAULT		PCD		IN TRANSIT	
CODE	12/31/2022	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
2GO	7.25	107,800.00	781,550.00	-	-	107,800.00	781,550.00	-	-
8990B	98.00	47,600.00	4,664,800.00	-	-	47,600.00	4,664,800.00	-	-
AAA	1.61	120,000.00	193,200.00	-	-	120,000.00	193,200.00	-	-
ABA	2.08	199,600.00	415,168.00	-	-	199,600.00	415,168.00	-	-
ABS	7.39	79,200.00	585,288.00	-	-	79,200.00	585,288.00	-	-
AC	695.00	10,231.00	7,110,545.00	-	-	10,231.00	7,110,545.00	-	-
ACEN	7.62	2,540,335.00	19,357,352.70	-	-	2,540,335.00	19,357,352.70	-	-
ACPB1	477.00	12,760.00	6,086,520.00	-	-	12,760.00	6,086,520.00	-	-
ACR	0.78	670,000.00	522,600.00	-	-	670,000.00	522,600.00	-	-
ACVPS	NOT LISTED	8,158.00	-	8,158.00	-	-	-	-	-
AEV	57.70	409,030.00	23,601,031.00	-	-	409,030.00	23,601,031.00	-	-
AGI	11.90	965,900.00	11,494,210.00	-	-	965,900.00	11,494,210.00	-	-
ALCO	0.56	17,400.00	9,744.00	-	-	17,400.00	9,744.00	-	-
ALCPD	430.20	10,000.00	4,302,000.00	-	-	10,000.00	4,302,000.00	-	-
ALI	30.80	244,182.00	7,520,805.60	-	-	244,182.00	7,520,805.60	-	-
ALLDY	0.23	74,332,000.00	16,724,700.00	-	-	74,332,000.00	16,724,700.00	-	-
ALLHC	2.97	2,998,000.00	8,904,060.00	-	-	2,998,000.00	8,904,060.00	-	-
ANS	9.04	10,800.00	97,632.00	-	-	10,800.00	97,632.00	-	-
AP	34.05	563,300.00	19,180,365.00	-	-	563,300.00	19,180,365.00	-	-
APB2R	470.00	11,700.00	5,499,000.00	-	-	11,700.00	5,499,000.00	-	-
APC	0.21	5,126,000.00	1,055,956.00	-	-	5,126,000.00	1,055,956.00	-	-
APL	0.03	54,173,500.00	1,787,725.50	-	-	54,173,500.00	1,787,725.50	-	-
APO	0.62	2,173,800.00	1,347,756.00	-	-	2,173,800.00	1,347,756.00	-	-
APX	1.85	226,000.00	418,100.00	-	-	226,000.00	418,100.00	-	-
AR	0.01	417,000,000.00	1,918,200.00	-	-	417,000,000.00	1,918,200.00	-	-
ARA	1.02	5,000.00	5,100.00	-	-	5,000.00	5,100.00	-	-
AREIT	35.40	356,000.00	12,602,400.00	-	-	356,000.00	12,602,400.00	-	-
AT	3.64	2,736,941.00	9,962,465.24	-	-	2,736,941.00	9,962,465.24	-	-
ATI	13.76	2,400.00	33,024.00	-	-	2,400.00	33,024.00	-	-
ATN	0.36	8,250,000.00	2,928,750.00	-	-	8,250,000.00	2,928,750.00	-	-

STOCK	MV AS OF	TOTAL		IN VAULT		PCD		IN TRANSIT	
CODE	12/31/2022	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
ATNB	0.35	220,000.00	77,000.00	-	-	220,000.00	77,000.00	-	-
AUB	40.05	120,040.00	4,807,602.00	-	-	120,040.00	4,807,602.00	-	-
AXLM	2.52	263,300.00	663,516.00	-	-	263,300.00	663,516.00	-	-
BC	4.10	15,780.00	64,698.00	-	-	15,780.00	64,698.00	-	-
BDO	105.70	1,305,002.00	137,938,711.40	-	-	1,305,002.00	137,938,711.40	-	-
BEL	1.22	1,350,000.00	1,647,000.00	-	-	1,350,000.00	1,647,000.00	-	-
BHI	0.05	1,850,000.00	94,350.00	-	-	1,850,000.00	94,350.00	-	-
BLOOM	7.65	4,351,000.00	33,285,150.00	-	-	4,351,000.00	33,285,150.00	-	-
BNCOM	7.89	260,500.00	2,055,345.00	-	-	260,500.00	2,055,345.00	-	-
BPI	102.00	91,499.00	9,332,898.00	-	-	91,499.00	9,332,898.00	-	-
BRN	0.73	3,196,229.00	2,333,247.17	-	-	3,196,229.00	2,333,247.17	-	-
BRNP	100.00	27,600.00	2,760,000.00	-	-	27,600.00	2,760,000.00	-	-
BSC	0.28	6,697,351.00	1,875,258.28	-	-	6,697,351.00	1,875,258.28	-	-
C	1.20	748,800.00	898,560.00	-	-	748,800.00	898,560.00	-	-
CAL	DELISTED	156,360.00	-	-	-	156,360.00	-	-	-
CAT	8.95	500.00	4,475.00	-	-	500.00	4,475.00	-	-
CBC	DELISTED	5,000.00	-	-	-	5,000.00	-	-	-
CDC	0.68	335,865.00	228,388.20	-	-	335,865.00	228,388.20	-	-
CEB	38.30	16,900.00	647,270.00	-	-	16,900.00	647,270.00	-	-
CEBCP	38.50	13,590.00	523,215.00	-	-	13,590.00	523,215.00	-	-
CEI	0.08	3,600,000.00	284,400.00	-	-	3,600,000.00	284,400.00	-	-
CHI	6.12	20,625.00	126,225.00	-	-	20,625.00	126,225.00	-	-
CHIB	27.45	1,857,023.00	50,975,281.35	-	-	1,857,023.00	50,975,281.35	-	-
CHP	0.61	7,013,542.00	4,278,260.62	-	-	7,013,542.00	4,278,260.62	-	-
CIC	15.36	80.00	1,228.80	-	-	80.00	1,228.80	-	-
CLI	2.80	44,600.00	124,880.00	-	-	44,600.00	124,880.00	-	-
CNPF	25.80	23,250.00	599,850.00	-	-	23,250.00	599,850.00	-	-
CNVRG	15.88	673,300.00	10,692,004.00	-	-	673,300.00	10,692,004.00	-	-
COAL	0.20	350,000.00	70,000.00	-	-	350,000.00	70,000.00	-	-
COL	3.13	506,000.00	1,583,780.00	-	-	506,000.00	1,583,780.00	-	-
COSCO	4.67	1,369,800.00	6,396,966.00	-	-	1,369,800.00	6,396,966.00	-	-
CPG	0.39	5,173,302.00	1,991,721.27	-	-	5,173,302.00	1,991,721.27	-	-
CPGP	98.10	67,000.00	6,572,700.00	-	-	67,000.00	6,572,700.00	-	-
CPM	3.50	50,000.00	175,000.00	-	-	50,000.00	175,000.00	-	-
CREIT	2.29	2,436,000.00	5,578,440.00	-	-	2,436,000.00	5,578,440.00	-	-

STOCK	MV AS OF	TOTAL		IN VAULT		PCD		IN TRANSIT	
CODE	12/31/2022	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
CROWN	1.55	16,000.00	24,800.00	-	-	16,000.00	24,800.00	-	-
CTS	0.96	310,000.00	297,600.00	-	-	310,000.00	297,600.00	-	-
CYBR	0.33	4,185,000.00	1,381,050.00	-	-	4,185,000.00	1,381,050.00	-	-
DD	6.72	774,000.00	5,201,280.00	-	-	774,000.00	5,201,280.00	-	-
DDMPR	1.29	13,971,000.00	18,022,590.00	-	-	13,971,000.00	18,022,590.00	-	-
DDPR	98.00	147,400.00	14,445,200.00	-	-	147,400.00	14,445,200.00	-	-
DHI	3.16	133,885.00	423,076.60	-	-	133,885.00	423,076.60	-	-
DITO	2.79	4,168,600.00	11,630,394.00	-	-	4,168,600.00	11,630,394.00	-	-
DIZ	4.00	17,190.00	68,760.00	-	-	17,190.00	68,760.00	-	-
DMC	12.00	48,000.00	576,000.00	-	-	48,000.00	576,000.00	-	-
DMW	6.70	72,300.00	484,410.00	-	-	72,300.00	484,410.00	-	-
DNA	2.86	4,000.00	11,440.00	-	-	4,000.00	11,440.00	-	-
DNL	7.90	262,200.00	2,071,380.00	-	-	262,200.00	2,071,380.00	-	-
DWC	1.37	50,000.00	68,500.00	-	-	50,000.00	68,500.00	-	-
EEI	2.80	361,200.00	1,011,360.00	-	-	361,200.00	1,011,360.00	-	-
EEIPB	102.00	14,500.00	1,479,000.00	-	-	14,500.00	1,479,000.00	-	-
EG	0.01	507,400,000.00	4,769,560.00	-	-	507,400,000.00	4,769,560.00	-	-
EIBA	DELISTED	3,332,200.00	-	-	-	3,332,200.00	-	-	-
ELI	0.19	17,253,900.00	3,243,733.20	-	-	17,253,900.00	3,243,733.20	-	-
ENEX	14.04	61,993.00	870,381.72	-	-	61,993.00	870,381.72	-	-
EURO	0.87	54,000.00	46,980.00	-	-	54,000.00	46,980.00	-	-
EVER	0.26	1,640,000.00	418,200.00	-	-	1,640,000.00	418,200.00	-	-
EW	6.67	587,340.00	3,917,557.80	-	-	587,340.00	3,917,557.80	-	-
FB	38.70	2,000.00	77,400.00	-	-	2,000.00	77,400.00	-	-
FCG	0.63	22,000.00	13,860.00	-	-	22,000.00	13,860.00	-	-
FDC	6.42	18,798.00	120,683.16	-	-	18,798.00	120,683.16	-	-
FFI	3.71	4,051.00	15,029.21	-	-	4,051.00	15,029.21	-	-
FGEN	16.94	85,700.00	1,451,758.00	-	-	85,700.00	1,451,758.00	-	-
FILRT	5.50	927,000.00	5,098,500.00	-	-	927,000.00	5,098,500.00	-	-
FJP	2.10	80,000.00	168,000.00	-	-	80,000.00	168,000.00	-	-
FLI	0.90	3,457,029.00	3,111,326.10	-	-	3,457,029.00	3,111,326.10	-	-
FMETF	101.00	7,030.00	710,030.00	-	-	7,030.00	710,030.00	-	-
FNI	2.51	254,445.00	638,656.95	-	-	254,445.00	638,656.95	-	-
FOOD	0.55	173,575.00	95,466.25	-	-	173,575.00	95,466.25	-	-
FPH	60.55	385,906.00	23,366,608.30	-	-	385,906.00	23,366,608.30	-	-



STOCK	MV AS OF	TOTAL		IN VAULT		PCD		IN TRANSIT	
CODE	12/31/2022	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
FPI	0.21	1,720,000.00	356,040.00	-	-	1,720,000.00	356,040.00	-	-
FRUIT	1.12	785,000.00	879,200.00	-	-	785,000.00	879,200.00	-	-
GEO	0.17	1,539,013.00	267,788.26	-	-	1,539,013.00	267,788.26	-	-
GERI	0.93	630,294.00	586,173.42	-	-	630,294.00	586,173.42	-	-
GLO	2,180.00	7,960.00	17,352,800.00	-	-	7,960.00	17,352,800.00	-	-
GMA7	11.22	204,400.00	2,293,368.00	-	-	204,400.00	2,293,368.00	-	-
GMAP	10.60	12,000.00	127,200.00	-	-	12,000.00	127,200.00	-	-
GO	DELISTED	50,000.00	-	-	-	50,000.00	-	-	-
GREEN	1.46	39,120.00	57,115.20	-	-	39,120.00	57,115.20	-	-
GSMI	105.00	420.00	44,100.00	-	-	420.00	44,100.00	-	-
GTCAP	435.00	14,414.00	6,270,090.00	-	-	14,414.00	6,270,090.00	-	-
GTPPA	963.00	2,750.00	2,648,250.00	-	-	2,750.00	2,648,250.00	-	-
GTPPB	950.00	11,900.00	11,305,000.00	-	-	11,900.00	11,305,000.00	-	-
HI	3.55	24,000.00	85,200.00	-	-	24,000.00	85,200.00	-	-
HLCM	3.90	8,500.00	33,150.00	-	-	8,500.00	33,150.00	-	-
HOME	1.65	72,000.00	118,800.00	-	-	72,000.00	118,800.00	-	-
I	0.74	422,138.00	312,382.12	-	-	422,138.00	312,382.12	-	-
ICT	200.00	4,590.00	918,000.00	-	-	4,590.00	918,000.00	-	-
IDC	0.80	230,451.00	184,360.80	-	-	230,451.00	184,360.80	-	-
IMI	4.87	251,409.00	1,224,361.83	-	-	251,409.00	1,224,361.83	-	-
IMP	1.07	7,000.00	7,490.00	-	-	7,000.00	7,490.00	-	-
INFRA	0.92	102,000.00	93,840.00	-	-	102,000.00	93,840.00	-	-
IPM	6.70	15,000.00	100,500.00	-	-	15,000.00	100,500.00	-	-
IPO	5.95	81,250.00	483,437.50	-	-	81,250.00	483,437.50	-	-
IS	0.14	40,000.00	5,760.00	-	-	40,000.00	5,760.00	-	-
JAS	1.19	1,000.00	1,190.00	-	-	1,000.00	1,190.00	-	-
JFC	230.00	51,777.00	11,908,710.00	-	-	51,777.00	11,908,710.00	-	-
JFCPA	925.00	2,950.00	2,728,750.00	-	-	2,950.00	2,728,750.00	-	-
JFCPB	916.50	10,600.00	9,714,900.00	-	-	10,600.00	9,714,900.00	-	-
JGS	50.30	150,950.00	7,592,785.00	-	-	150,950.00	7,592,785.00	-	-
KEEPR	1.27	21,329,550.00	27,088,528.50	-	-	21,329,550.00	27,088,528.50	-	-
LAND	0.83	134,160.00	111,352.80	-	-	134,160.00	111,352.80	-	-
LC	0.11	23,880,744.00	2,603,001.10	-	-	23,880,744.00	2,603,001.10	-	-
LCB	0.11	7,563,468.00	809,291.08	-	-	7,563,468.00	809,291.08	-	-
LOTO	1.65	124,500.00	205,425.00	-	-	124,500.00	205,425.00	-	-

STOCK	MV AS OF	TOTAL		IN VAULT		PCD		IN TRANSIT	
CODE	12/31/2022	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
LPZ	2.95	150,020.00	442,559.00	-	-	150,020.00	442,559.00	-	-
LR	2.41	184,394.00	444,389.54	-	-	184,394.00	444,389.54	-	-
LSC	0.58	57,500.00	33,350.00	-	-	57,500.00	33,350.00	-	-
LTG	9.20	273,000.00	2,511,600.00	-	-	273,000.00	2,511,600.00	-	-
MA	0.01	202,080,662.00	1,939,974.36	-	-	202,080,662.00	1,939,974.36	-	-
MAB	0.01	66,506,742.00	631,814.05	-	-	66,506,742.00	631,814.05	-	-
MAC	4.90	449,250.00	2,201,325.00	-	-	449,250.00	2,201,325.00	-	-
MARC	1.20	12,000.00	14,400.00	-	-	12,000.00	14,400.00	-	-
MAXS	4.88	325,900.00	1,590,392.00	-	-	325,900.00	1,590,392.00	-	-
MB	0.28	38,175.00	10,498.13	-	-	38,175.00	10,498.13	-	-
MBT	54.00	938,504.00	50,679,216.00	-	-	938,504.00	50,679,216.00	-	-
MC	DELISTED	500,000.00	-	-	-	500,000.00	-	-	-
MCB	DELISTED	12,000,000.00	-	-	-	12,000,000.00	-	-	-
MED	0.16	730,000.00	118,990.00	-	-	730,000.00	118,990.00	-	-
MEDIC	0.70	5,530,000.00	3,871,000.00	-	-	5,530,000.00	3,871,000.00	-	-
MEG	2.00	1,372,180.00	2,744,360.00	-	-	1,372,180.00	2,744,360.00	-	-
MER	298.80	16,128.00	4,819,046.40	-	-	16,128.00	4,819,046.40	-	-
MG	0.11	2,083,000.00	235,379.00	-	-	2,083,000.00	235,379.00	-	-
MHC	0.23	10,000.00	2,260.00	-	-	10,000.00	2,260.00	-	-
MJC	1.13	2,314,620.00	2,615,520.60	-	-	2,314,620.00	2,615,520.60	-	-
MJIC	1.10	2,800.00	3,080.00	-	-	2,800.00	3,080.00	-	-
MM	1.21	437,000.00	528,770.00	-	-	437,000.00	528,770.00	-	-
MON	DELISTED	679,250.00	-	-	-	679,250.00	-	-	-
MONDE	11.08	241,000.00	2,670,280.00	-	-	241,000.00	2,670,280.00	-	-
MPI	3.42	3,308,595.00	11,315,394.90	-	-	3,308,595.00	11,315,394.90	-	-
MRC	0.20	4,822,000.00	940,290.00	-	-	4,822,000.00	940,290.00	-	-
MREIT	14.48	1,550,700.00	22,454,136.00	-	-	1,550,700.00	22,454,136.00	-	-
MRSOI	1.41	860,000.00	1,212,600.00	-	-	860,000.00	1,212,600.00	-	-
MWC	19.10	358,800.00	6,853,080.00	-	-	358,800.00	6,853,080.00	-	-
MWIDE	3.11	14,110.00	43,882.10	-	-	14,110.00	43,882.10	-	-
MWP2A	93.05	631,000.00	58,714,550.00	-	-	631,000.00	58,714,550.00	-	-
MWP2B	95.00	20,000.00	1,900,000.00	-	-	20,000.00	1,900,000.00	-	-
MWP4	97.85	3,000.00	293,550.00	-	-	3,000.00	293,550.00	-	-
NI	0.79	61,000.00	48,190.00	-	-	61,000.00	48,190.00	-	-
NIKL	5.84	2,421,130.00	14,139,399.20	-	-	2,421,130.00	14,139,399.20	-	-

STOCK	MV AS OF	TOTAL		IN VAULT		PCD		IN TRANSIT	
CODE	12/31/2022	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
NOW	2.24	63,000.00	141,120.00	-	-	63,000.00	141,120.00	-	-
NRCP	0.58	8,692,000.00	5,041,360.00	-	-	8,692,000.00	5,041,360.00	-	-
NXGEN	7.00	323,200.00	2,262,400.00	-	-	323,200.00	2,262,400.00	-	-
OM	0.33	11,745,000.00	3,875,850.00	-	-	11,745,000.00	3,875,850.00	-	-
OPM	0.01	<b>62,639,424.00</b>	626,394.24	-	-	<b>62,639,424.00</b>	626,394.24	-	-
OPMB	0.01	<b>5,000,000.00</b>	55,000.00	-	-	<b>5,000,000.00</b>	55,000.00	-	-
OV	0.01	94,000,000.00	921,200.00	-	-	94,000,000.00	921,200.00	-	-
PA	1.90	50,250.00	95,475.00	-	-	50,250.00	95,475.00	-	-
PAL	5.90	33,000.00	194,700.00	-	-	33,000.00	194,700.00	-	-
PBB	10.20	161,887.00	1,651,247.40	-	-	161,887.00	1,651,247.40	-	-
PCOR	2.40	1,079,383.00	2,590,519.20	-	-	1,079,383.00	2,590,519.20	-	-
PCP	0.21	55,500.00	11,377.50	-	-	55,500.00	11,377.50	-	-
PERC	4.80	317,785.00	1,525,368.00	-	-	317,785.00	1,525,368.00	-	-
PGOLD	34.90	97,100.00	3,388,790.00	-	-	97,100.00	3,388,790.00	-	-
PHA	0.29	265,000.00	76,850.00	-	-	265,000.00	76,850.00	-	-
PHES	0.37	12,679,000.00	4,691,230.00	-	-	12,679,000.00	4,691,230.00	-	-
PHN	19.06	3,960.00	75,477.60	-	-	3,960.00	75,477.60	-	-
PHR	0.82	365,000.00	299,300.00	-	-	365,000.00	299,300.00	-	-
PIZZA	7.65	26,000.00	198,900.00	-	-	26,000.00	198,900.00	-	-
PLC	0.48	11,978,000.00	5,689,550.00	-	-	11,978,000.00	5,689,550.00	-	-
PMPC	5.37	2,000.00	10,740.00	-	-	2,000.00	10,740.00	-	-
PNB	19.00	351,329.00	6,675,251.00	-	-	351,329.00	6,675,251.00	-	-
PNX	8.60	99,887.00	859,028.20	-	-	99,887.00	859,028.20	-	-
PNX3B	65.30	10,400.00	679,120.00	-	-	10,400.00	679,120.00	-	-
PNX4	374.00	7,900.00	2,954,600.00	-	-	7,900.00	2,954,600.00	-	-
PPI	NOT LISTD	19,033.00	-	-	-	19,033.00	-	-	-
PRC	7.89	1,989.00	15,693.21	-	-	1,989.00	15,693.21	-	-
PRF3A	1,015.00	12,400.00	12,586,000.00	-	-	12,400.00	12,586,000.00	-	-
PRF3B	1,030.00	2,500.00	2,575,000.00	-	-	2,500.00	2,575,000.00	-	-
PRIM	2.08	112,560.00	234,124.80	-	-	112,560.00	234,124.80	-	-
PRMX	2.11	36,000.00	75,960.00	-	-	36,000.00	75,960.00	-	-
PSB	56.50	10,751.00	607,431.50	-	-	10,751.00	607,431.50	-	-
PSE	158.00	243,670.00	38,499,860.00	240,000	37,920,000	3,670.00	579,860.00	-	-
PTC	119.00	500.00	59,500.00	-	-	500.00	59,500.00	-	-
PTT	0.33	485,666.00	160,269.78	-	-	485,666.00	160,269.78	-	-

STOCK	MV AS OF	TOTAL		IN VAULT		PCD		IN TRANSIT	
CODE	12/31/2022	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
PX	3.04	422,928.00	1,285,701.12	-	-	422,928.00	1,285,701.12	-	-
PXP	7.67	238,065.00	1,825,958.55	-	-	238,065.00	1,825,958.55	-	-
RCB	23.70	138,271.00	3,277,022.70	-	-	138,271.00	3,277,022.70	-	-
RCI	0.47	3,586.00	1,667.49	-	-	3,586.00	1,667.49	-	-
RCR	5.85	1,174,500.00	6,870,825.00	-	-	1,174,500.00	6,870,825.00	-	-
RFM	3.60	21,652.00	77,947.20	-	-	21,652.00	77,947.20	-	-
RLC	14.96	37,826.00	565,876.96	-	-	37,826.00	565,876.96	-	-
RLT	0.19	1,400,000.00	260,400.00	-	-	1,400,000.00	260,400.00	-	-
ROCK	1.40	27,456.00	38,438.40	-	-	27,456.00	38,438.40	-	-
ROX	0.71	50,560.00	35,897.60	-	-	50,560.00	35,897.60	-	-
RPC	DELISTED	131,569.00	-	-	-	131,569.00	-	-	-
RRHI	53.85	10,000.00	538,500.00	-	-	10,000.00	538,500.00	-	-
SBS	3.90	133,000.00	518,700.00	-	-	133,000.00	518,700.00	-	-
SCC	34.50	52,700.00	1,818,150.00	-	-	52,700.00	1,818,150.00	-	-
SECB	87.00	35,500.00	3,088,500.00	-	-	35,500.00	3,088,500.00	-	-
SFI	0.08	302,488.00	22,686.60	-	-	302,488.00	22,686.60	-	-
SFIP	1.50	380.00	570.00	-	-	380.00	570.00	-	-
SGI	0.87	1,535,000.00	1,335,450.00	-	-	1,535,000.00	1,335,450.00	-	-
SGP	11.10	1,298,900.00	14,417,790.00	-	-	1,298,900.00	14,417,790.00	-	-
SHLPH	16.90	138,500.00	2,340,650.00	-	-	138,500.00	2,340,650.00	-	-
SHNG	2.54	291,893.00	741,408.22	-	-	291,893.00	741,408.22	-	-
SLF	2,600.00	1,323.00	3,439,800.00	-	-	1,323.00	3,439,800.00	-	-
SM	900.00	1,933.00	1,739,700.00	-	-	1,933.00	1,739,700.00	-	-
SMC	92.95	108,494.00	10,084,517.30	-	-	108,494.00	10,084,517.30	-	-
SMC2F	75.00	344,000.00	25,800,000.00	-	-	344,000.00	25,800,000.00	-	-
SMC2I	75.00	484,000.00	36,300,000.00	-	-	484,000.00	36,300,000.00	-	-
SMC2J	72.85	209,700.00	15,276,645.00	-	-	209,700.00	15,276,645.00	-	-
SMC2K	71.00	20,100.00	1,427,100.00	-	-	20,100.00	1,427,100.00	-	-
SMPH	35.50	113,210.00	4,018,955.00	-	-	113,210.00	4,018,955.00	-	-
SOC	0.46	435,000.00	200,100.00	-	-	435,000.00	200,100.00	-	-
SPC	9.46	2,000.00	18,920.00	-	-	2,000.00	18,920.00	-	-
SPM	1.68	22,677.00	38,097.36	-	-	22,677.00	38,097.36	-	-
SPNEC	1.20	13,901,563.00	16,681,875.60	-	-	13,901,563.00	16,681,875.60	-	-
SSI	1.56	2,295,000.00	3,580,200.00	-	-	2,295,000.00	3,580,200.00	-	-
SSP	1.49	1,639,000.00	2,442,110.00	-	-	1,639,000.00	2,442,110.00	-	-

STOCK	MV AS OF	TOTAL		IN VAULT		PCD		IN TRANSIT	
CODE	12/31/2022	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
STI	0.35	240,000.00	82,800.00	-	-	240,000.00	82,800.00	-	-
STN	0.20	3,525,250.00	705,050.00	-	-	3,525,250.00	705,050.00	-	-
STR	2.84	43,000.00	122,120.00	-	-	43,000.00	122,120.00	-	-
SUN	0.94	378,500.00	355,790.00	-	-	378,500.00	355,790.00	-	-
SWM	DELISTED	190,000.00	-	-	-	190,000.00	-	-	-
T	0.55	12,000.00	6,600.00	-	-	12,000.00	6,600.00	-	-
TBGI	0.22	980,000.00	215,600.00	-	-	980,000.00	215,600.00	-	-
TECH	2.71	838,391.00	2,272,039.61	-	-	838,391.00	2,272,039.61	-	-
TECHW	0.58	113,825.00	66,018.50	-	-	113,825.00	66,018.50	-	-
TEL	1,317.00	19,995.00	26,333,415.00	-	-	19,995.00	26,333,415.00	-	-
TFHI	95.00	1,379.00	131,005.00	-	-	1,379.00	131,005.00	-	-
TUGS	0.97	1,091,000.00	1,058,270.00	-	-	1,091,000.00	1,058,270.00	-	-
UBP	86.10	37,651.00	3,241,751.10	-	-	37,651.00	3,241,751.10	-	-
UNI	0.25	382,000.00	93,972.00	-	-	382,000.00	93,972.00	-	-
UP	DELISTED	704,000.00	-	-	-	704,000.00	-	-	-
UPM	0.01	30,837,500.00	166,522.50	-	-	30,837,500.00	166,522.50	-	-
URC	136.00	31,600.00	4,297,600.00	-	-	31,600.00	4,297,600.00	-	-
UW	DELISTED	2,760,000.00	-	-	-	2,760,000.00	-	-	-
V	0.83	192,500.00	159,775.00	-	-	192,500.00	159,775.00	-	-
VITA	0.60	42,500.00	25,500.00	-	-	42,500.00	25,500.00	-	-
VLL	1.65	116,900.00	192,885.00	-	-	116,900.00	192,885.00	-	-
VMC	2.59	33,428.00	86,578.52	-	-	33,428.00	86,578.52	-	-
VREIT	1.65	340,000.00	561,000.00	-	-	340,000.00	561,000.00	-	-
VUL	0.80	815,000.00	652,000.00	-	-	815,000.00	652,000.00	-	-
WEB	2.60	155,400.00	404,040.00	-	-	155,400.00	404,040.00	-	-
WIN	0.23	520,000.00	119,600.00	-	-	520,000.00	119,600.00	-	-
WLCON	29.50	2,927,000.00	86,346,500.00	-	-	2,927,000.00	86,346,500.00	-	-
WPI	0.46	173,150.00	79,649.00	-	-	173,150.00	79,649.00	-	-
X	0.27	1,699,500.00	450,367.50	-	-	1,699,500.00	450,367.50	-	-
ZHI	0.13	450,000.00	57,150.00	-	-	450,000.00	57,150.00	-	-
<b>TOTALS</b>		<b>1,835,804,644</b>	<b>1,255,468,103.57</b>	<b>248,158</b>	<b>37,920,000</b>	<b>1,835,804,644</b>	<b>1,217,548,103.57</b>		

**SCHEDULE VII**

**JSG SECURITIES, INC.**  
**A SCHEDULE SHOWING FINANCIAL SOUNDNESS INDICATORS**  
**UNDER SRC RULE 68, AS AMENDED (2011), AS OF THE DATE OF**  
**THE STATEMENTS OF FINANCIAL CONDITION IN THE ANNUAL**  
**AUDITED FINANCIAL REPORT**  
**DECEMBER 31, 2022**

	<b>2022</b>	2021
Current ratio <sup>(1)</sup>	<b>357.33%</b>	348.82 %
Asset-to-equity ratio <sup>(2)</sup>	<b>128.77%</b>	129.85%
Return on average capital <sup>(3)</sup>	<b>6.41%</b>	22.45%
Return on average equity <sup>(4)</sup>	<b>1.43%</b>	5.23%
Return on average assets <sup>(5)</sup>	<b>1.11%</b>	4.10%

*(1) Total current assets/Total current liabilities*

*(2) Total assets/Total equity*

*(3) Net income/ (Preference share capital + Common share capital) [as at December 31, 2022] + (Preference share capital + common share capital [as at December 31, 2021])/2)*

*(4) Net income/ ((Total equity [as at December 31, 2022] + Total equity [as at December 31, 2021])/2)*

*(5) Net income/ ((Total assets [as at December 31, 2022] + Total assets [as at December 31, 2021])/2)*