

206192329192787



SECURITIES AND EXCHANGE COMMISSION

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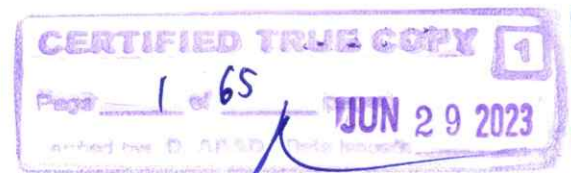
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**VENTURE
SECURITIES,
INC.**

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The management of **Venture 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 to do so.

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

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

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

Signed:

A handwritten signature in black ink, appearing to read 'Eusebio R. Tanco', written over a horizontal line.

EUSEBIO R. TANCO
Chairman

A handwritten signature in blue ink, appearing to read 'Wilfred S. Racadio', written over a horizontal line.

WILFRED S. RACADIO
President

A handwritten signature in black ink, appearing to read 'Yolanda M. Bautista', written over a horizontal line.

YOLANDA M. BAUTISTA
Treasurer

Member: Philippine Stock Exchange

JUN 09 2023

SUBSCRIBED AND SWORN to me before this _____ day of June, 2023 affiants exhibiting to me their Tax Identification Number as follows:

| NAME | TIN NO. |
|---------------------|------------------|
| EUSEBIO H. TANCO | TIN# 141-978-255 |
| WILFRED S. RACADIO | TIN# 116-284-048 |
| YOLANDA M. BAUTISTA | TIN# 107-098-796 |

WITNESS BY HAND AND SEAL on the ay first above-mentioned in MAKATI CITY City.

NOTARY PUBLIC

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Series of 2023


MA. ESMERALDA R. CUNANAN
Notary Public
Until December 31, 2023
Appt. No. M 002 (2022-2023) Attorney's Roll No. 34562
MCLE Compliance No VII-0004035/7-19-2021
PTR No. 9563801/1-3-2023/Makati City
IBP Lifetime Member Roll No 05413
Ground Level, Dela Rosa Carpark 1
Dela Rosa St. Legaspi Village,
Makati City

VENTURE SECURITIES, INC.
ANNUAL AUDITED FINANCIAL REPORT
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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 Securities Regulation Code (SRC).

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

IDENTIFICATION OF BROKER OR DEALER

| | |
|---|---|
| Name of Broker/Dealer: | Venture Securities, Inc. |
| Address of Principal Place of Business: | 8 th Floor, STI Holdings Center Ayala Avenue, Makati City |
| Name and Phone Number of Person to Contact in Regard to this Report | |
| Name: Adora M. Aguilar | Tel. No.: 8848-6505 Fax No.: 8848-6505 |

IDENTIFICATION OF ACCOUNTANT

Name of Independent Auditors whose opinion is contained in this report:

| | |
|---|---------------------|
| Name: SyCip Gorres Velayo & Co. | Tel. No.: 8891-0307 |
| BOA/PRC Reg. No. 0001 | Fax No.: 8818-1377 |
| SEC Accreditation No. 0012-FR-5 (Group A) | |

Address: 6760 Ayala Avenue, Makati City
CPA Certificate No. 108795
Tax Identification No. 216-950-288
BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024
SEC Partner Accreditation No. 108795-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions
BIR Accreditation No. 08-001998-107-2020, November 27, 2020, valid until November 26, 2023
PTR No. 9369775 Date Issued: January 3, 2023



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Venture 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 Philippine Financial Reporting Standards, 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 concerns 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 is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

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

Signature: _____
EUSEBIO H. TANCO - Chairman

Signature: _____
WILFRED S. RACADIO - President

Signature: _____
YOLANDA M. BAUTISTA - Treasurer

Signed this 9th day of June 2023.



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Venture Securities, Inc.
8th Floor, STI Holdings Center
6764 Ayala Avenue
Makati City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Venture 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.

Emphasis of Matter

We draw attention to Note 1 to the financial statements which described that on June 11, 2021, a Special Hearing Panel (SHP) of the Securities and Exchange Commission (SEC) rendered a decision revoking the registration and license of the Company as a broker-dealer in securities and imposed penalties on the Company and its officers for certain violations of securities laws. On June 28, 2021, the Company filed a motion for reconsideration with the SHP of the SEC. On March 29, 2022, the SHP partially granted the Company's motion for reconsideration and set aside the penalty of revocation of the registration and license of the Company as a broker-dealer and reduced the monetary penalties imposed against the Company. On May 2, 2022, the Investigating and Review Committee (IRC) of the Market and Securities



Regulation Department (MSRD) of the SEC filed an appeal memorandum to the SEC En Banc to declare the SHP resolution dated March 29, 2022 void and to reinstate the decision of the SHP dated June 11, 2021. On June 8, 2022, the Company filed a comment/opposition to the appeal memorandum filed by the IRC of the MSRD asking the SEC En Banc to dismiss outright and/or deny the appeal for lack of merit. On July 5, 2022, the Enforcement and Investor Protection Department (EIPD) of the SEC filed a complaint against the Company and its officers, among others, for alleged violation of the SRC. On July 21, 2022, the Company and its employees filed an Entry of Appearance with Motion to Suspend Proceedings due to pending appeals before the SEC En Banc being a prejudicial question. On December 9, 2022, the DOJ resolved to suspend the case filed by the EIPD of the SEC pending resolution of the cases with the SEC En Banc.

Our opinion is not modified in respect of this matter.

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.

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

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 25 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 Venture 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.



Ray Francis C. Balagtas

Partner

CPA Certificate No. 108795

Tax Identification No. 216-950-288

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

SEC Partner Accreditation No. 108795-SEC (Group A)

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

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

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

BIR Accreditation No. 08-001998-107-2020, November 27, 2020, valid until November 26, 2023

PTR No. 9369775, January 3, 2023, Makati City

June 9, 2023



VENTURE SECURITIES, INC.
STATEMENTS OF FINANCIAL CONDITION

| | December 31 | | | | | |
|--|---------------------|--------------------|-------|---------------------|--------------------|----------------|
| | 2022 | | | 2021 | | |
| | Money Balance | Security Valuation | | Money Balance | Security Valuation | |
| | | Long | Short | | Long | Short |
| ASSETS | | | | | | |
| Current Assets | | | | | | |
| Cash (Note 6) | ₱45,050,646 | | | ₱48,224,454 | | |
| Receivable from | | | | | | |
| Clearing house | 2,313,460 | | | 6,239,720 | | |
| Customers (Note 7) | 9,874,269 | ₱62,262,842 | | 9,024,137 | ₱1,389,205,982 | |
| Non-customers (Note 7) | 11,931,375 | | | 11,084,947 | | |
| Financial assets at fair value through profit or loss (FVTPL) (Note 8) | 5,701,439 | 5,701,439 | | 6,176,499 | 6,176,499 | |
| Other assets (Note 13) | 3,302,789 | | | 3,535,648 | | |
| | <u>78,173,978</u> | | | <u>84,285,405</u> | | |
| Noncurrent Assets | | | | | | |
| Investment properties (Note 9) | 47,288,396 | | | 48,294,532 | | |
| Property and equipment (Note 10) | 108,528 | | | 193,408 | | |
| Right-of-use asset (Note 11) | 1,265,472 | | | 2,024,754 | | |
| Exchange trading right (Note 12) | 950,000 | | | 950,000 | | |
| Other assets (Notes 13 and 20) | 5,971,990 | | | 5,882,222 | | |
| | <u>55,584,386</u> | | | <u>57,344,916</u> | | |
| | <u>₱133,758,364</u> | | | <u>₱141,630,321</u> | | |
| Securities in Vault, Transfer Offices and Philippine Depository and Trust Corp. | | | | | ₱5,284,772,262 | ₱4,423,626,454 |



| | December 31 | | | | | |
|--|--------------------------|---------------------------|-----------------------|--------------------------|---------------------------|-----------------------|
| | 2022 | | | 2021 | | |
| | Money Balance | Security Valuation | | Money Balance | Security Valuation | |
| | Long | Short | | Long | Short | |
| LIABILITIES AND EQUITY | | | | | | |
| Liabilities | | | | | | |
| Current Liabilities | | | | | | |
| Payable to | | | | | | |
| Customers (Note 15) | ₱23,291,542 | ₱5,216,807,981 | ₱- | ₱29,063,981 | ₱3,029,835,953 | ₱1,591,980 |
| Clearing house | 1,909,060 | | | - | | |
| Accounts payable and accrued expenses (Note 16) | 3,077,191 | | | 3,787,418 | | |
| Lease liability (Note 11) | 747,848 | | | 770,762 | | |
| | <u>29,025,641</u> | | | <u>33,622,161</u> | | |
| Noncurrent Liabilities | | | | | | |
| Accounts payable and accrued expenses (Note 16) | 733,383 | | | 471,480 | | |
| Deferred tax liability (Note 21) | 28,486 | | | 222,651 | | |
| Retirement liability (Note 19) | 2,760,364 | | | 2,374,548 | | |
| Lease liability (Note 11) | 417,124 | | | 1,136,435 | | |
| | <u>3,939,357</u> | | | <u>4,205,114</u> | | |
| | <u>32,964,998</u> | | | <u>37,827,275</u> | | |
| Equity | | | | | | |
| Capital stock (Note 17) | 100,000,000 | | | 100,000,000 | | |
| Retained earnings (Notes 2 and 17) | | | | | | |
| Appropriated | 7,025,033 | | | 7,025,033 | | |
| Unappropriated | (5,960,659) | | | (3,343,102) | | |
| Remeasurement losses on retirement plan (Note 19) | (271,008) | | | 121,115 | | |
| | <u>100,793,366</u> | | | <u>103,803,046</u> | | |
| | <u>₱133,758,364</u> | <u>₱5,284,772,262</u> | <u>₱5,284,772,262</u> | <u>₱141,630,321</u> | <u>₱4,425,218,434</u> | <u>₱4,425,218,434</u> |

See accompanying Notes to Financial Statements.



VENTURE SECURITIES, INC.
STATEMENTS OF INCOME

| | Years Ended December 31 | |
|--|--------------------------------|--------------|
| | 2022 | 2021 |
| REVENUE | | |
| Commissions | ₱4,257,959 | ₱10,549,844 |
| Trading and securities losses - net (Note 8) | (513,926) | (1,322,898) |
| | 3,744,033 | 9,226,946 |
| COST OF SERVICES | | |
| Personnel costs (Note 19) | 1,624,571 | 2,884,195 |
| Stock exchange and transfer fees | 727,879 | 1,213,673 |
| Commission expense | 20 | 32,278 |
| | 2,352,470 | 4,130,146 |
| GROSS MARGIN | 1,391,563 | 5,096,800 |
| OPERATING EXPENSES | | |
| Personnel costs (Notes 19 and 20) | 4,498,357 | 4,446,692 |
| Reversal of provision for credit losses (Note 14) | (3,565,308) | (502,190) |
| Depreciation expense (Notes 9, 10 and 11) | 1,888,245 | 1,992,504 |
| Professional fees, membership dues and other costs (Notes 16 and 18) | 1,604,394 | 3,147,419 |
| Taxes and licenses | 1,452,227 | 195,180 |
| Telephone, postage and telegram | 458,207 | 460,017 |
| Stationery and office supplies | 204,720 | 228,844 |
| Miscellaneous (Note 18) | 814,445 | 283,920 |
| | 7,355,287 | 10,252,385 |
| OTHER INCOME (EXPENSES) | | |
| Rent income (Note 9) | 3,006,501 | 3,207,269 |
| Dividend income (Note 8) | 138,408 | 88,504 |
| Interest income (Notes 6 and 7) | 39,691 | 37,476 |
| Interest expense on lease liabilities (Note 11) | (47,143) | (24,246) |
| Foreign exchange gains | 13,445 | 8,034 |
| Others | 58,827 | 371,901 |
| | 3,209,729 | 3,688,938 |
| LOSS BEFORE INCOME TAX | (2,753,995) | (1,466,647) |
| PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 21) | (136,438) | 192,006 |
| NET LOSS | (₱2,617,557) | (₱1,658,653) |

See accompanying Notes to Financial Statements.



VENTURE SECURITIES, INC.

STATEMENTS OF COMPREHENSIVE INCOME

| | Years Ended December 31 | |
|--|--------------------------------|---------------------|
| | 2022 | 2021 |
| NET LOSS | (¥2,617,557) | (¥1,658,653) |
| OTHER COMPREHENSIVE INCOME (LOSS) | | |
| <i>Item that do not recycle to profit or loss in subsequent periods:</i> | | |
| Remeasurement gains (losses) on retirement plan (Note 19) | (392,123) | 369,597 |
| TOTAL COMPREHENSIVE LOSS | (¥3,009,680) | (¥1,289,056) |

See accompanying Notes to Financial Statements.



VENTURE SECURITIES, INC.
STATEMENTS OF CHANGES IN EQUITY

| | Capital Stock (Note 17) | Retained Earnings Appropriated (Note 17) | Retained Earnings Unappropriated (Note 17) | Remeasurement Losses on Retirement Plan (Note 19) | Total |
|--------------------------------------|-------------------------------|---|---|--|---------------------|
| Balances at January 1, 2022 | ₱100,000,000 | ₱7,025,033 | (3,343,102) | 121,115 | 103,803,046 |
| Net loss | - | - | (2,617,557) | - | (2,617,557) |
| Other comprehensive loss | - | - | - | (392,123) | (392,123) |
| Total comprehensive loss | - | - | (2,617,557) | (392,123) | (3,009,680) |
| Balances at December 31, 2022 | ₱100,000,000 | ₱7,025,033 | (₱5,960,659) | (₱271,008) | ₱100,793,366 |
| Balances at January 1, 2021 | ₱100,000,000 | ₱7,025,033 | (1,684,449) | (248,482) | 105,092,102 |
| Net loss | - | - | (1,658,653) | - | (1,658,653) |
| Other comprehensive loss | - | - | - | 369,597 | 369,597 |
| Total comprehensive loss | - | - | (1,658,653) | 369,597 | (1,289,056) |
| Balances at December 31, 2021 | ₱100,000,000 | ₱7,025,033 | (3,343,102) | ₱121,115 | ₱103,803,046 |

See accompanying Notes to Financial Statements.



VENTURE SECURITIES, INC.
STATEMENTS OF CASH FLOWS

| | Years Ended December 31 | |
|---|--------------------------------|--------------|
| | 2022 | 2021 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Loss before income tax | (₱2,753,995) | (₱1,466,647) |
| Adjustments for: | | |
| Reversal of provision for credit losses (Note 14) | (3,565,308) | (502,190) |
| Depreciation expense (Notes 9, 10 and 11) | 1,888,245 | 1,992,504 |
| Dividend income (Note 8) | (138,408) | (88,504) |
| Interest income (Notes 6 and 7) | (39,691) | (37,476) |
| Interest expense (Note 11) | 47,143 | 24,246 |
| Changes in operating assets and liabilities: | | |
| Decreases (increases) in the amounts of: | | |
| Receivable from: | | |
| Customers | 2,715,176 | 10,756,574 |
| Clearing house | 3,926,260 | 45,533,515 |
| Non-customers | (846,428) | (294,274) |
| Financial Assets at FVTPL | 475,060 | (761,880) |
| Other assets | 143,091 | (660,845) |
| Increases (decreases) in the amounts of: | | |
| Payable to customers | (5,772,439) | (44,097,847) |
| Payable to clearing house | 1,909,060 | - |
| Accounts payable and accrued expenses | (448,324) | (3,945,655) |
| Retirement liability | (6,307) | 348,044 |
| Net cash provided by operations | (2,466,865) | 6,799,565 |
| Income taxes paid | (57,727) | (157,888) |
| Dividends received (Note 8) | 138,408 | 88,504 |
| Interest received (Notes 6 and 7) | 39,691 | 37,476 |
| Net cash provided by operating activities | (2,346,493) | 6,767,657 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisitions of property and equipment (Note 10) | (37,946) | (58,070) |
| Additions to right-of-use asset | - | (131,561) |
| Cash used in investing activities | (37,946) | (189,631) |
| CASH FLOWS FROM FINANCING ACTIVITY | | |
| Payments of lease liabilities (Note 11) | (789,369) | (657,808) |
| NET INCREASE (DECREASE) IN CASH | (3,173,808) | 5,920,218 |
| CASH AT BEGINNING OF YEAR | 48,224,454 | 42,304,236 |
| CASH AT END OF YEAR (Note 6) | ₱45,050,646 | ₱48,224,454 |

See accompanying Notes to Financial Statements.



VENTURE SECURITIES, INC.
NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Venture Securities, Inc. (the Company) is a domestic corporation organized to engage in the business of buying, selling of, or dealing in stocks, bonds, debentures and other securities and commercial papers for its own account as a dealer or for the account of others as a stockbroker; to be a member of any stock exchange; and to render financial advisory services. It was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on April 5, 1979. The Company is a holder of an exchange trading right in the Philippine Stock Exchange, Inc. (PSE).

The Company's principal address is at 8th Floor STI Holdings Center, Ayala Avenue, Makati City.

Status of Operations

In 2019, the SEC and Capital Markets Integrity Corporation (CMIC) started separate investigations related to the transactions of one of its customers. This is in relation to the investigation of an alleged fraud incident in another stock brokerage company.

In 2020, the CMIC completed its investigation and imposed penalties to the Company amounting to ₱5.21 million. In January 2021, the Company filed an appeal to the SEC requesting to reverse and set aside CMIC's decision. In March 2021, the Company paid the penalties under protest, subject to the resolution of the appeal to the SEC. On June 15, 2021, the SEC En Banc denied the appeal filed by the Company to reverse the decision of the CMIC thereby affirming the resolution of the CMIC board and the penalties imposed. On July 15, 2021, the Company filed an appeal through a Petition for Review with the Court of Appeals. On June 15, 2022, the Court of Appeals issued a resolution directing parties to file their respective Memorandum. On August 1, 2022, the Company filed its Memorandum pursuant to the Resolution of the Court of Appeals. As of June 9, 2023, the Court of Appeals has not decided on the Company's petition.

In September 2020, the MSRDC of the SEC filed a formal charge against the Company and certain officers for alleged violations of certain provisions of the Securities and Regulations Code. The Company has filed its verified answer to the SEC within the same month. In March 2021, the Company submitted its position paper as directed in a clarificatory conference held in February 2021.

On June 11, 2021, the SHP rendered a decision revoking the registration and license of the Company as a broker-dealer in securities and imposed penalties totaling ₱32.0 million against the Company and its officers, of which ₱8.0 million pertains to the Company and ₱24.0 million pertains to its officers.

On June 28, 2021, the Company filed a motion for reconsideration of the decision with the SHP. On March 29, 2022, the SHP partially granted the Company's motion for reconsideration and set aside the penalty of revocation of the registration and license of the Company as a broker-dealer and reduced the penalties imposed against the Company from ₱8.0 million to ₱1.6 million. The fines and penalties imposed against the officers were affirmed.

On May 2, 2022, the officers of the Company filed a memorandum of appeal to the SEC En Banc praying to reverse and set aside the decision dated June 11, 2021 and the resolution dated March 29, 2022 insofar as the imposed monetary penalties and the disqualifications against the officers of the Company and to dismiss the formal charge filed in September 2020 for lack of merit.



Also, on May 2, 2022, the IRC of the MSRD also filed an appeal memorandum to the SEC En Banc to declare the SHP resolution dated March 29, 2022 as void and to reinstate the decision of the SHP dated June 11, 2021. On June 8, 2022, the Company filed a comment/opposition to the appeal memorandum filed by the IRC of the MSRD asking the SEC En Banc to dismiss outright and/or deny the appeal for lack of merit. On April 11, 2023, in relation to the motions filed, the SEC En Banc ordered both the Company and the IRC of the MSRD to file their Position Papers. On April 27, 2023, the Company submitted its Position Paper while the IRC of the MSRD has yet to file the same. As of June 9, 2023, the SEC En Banc has not decided on the appeal.

On July 5, 2022, the Enforcement and Investor Protection Department (EIPD) of the SEC filed a complaint against the Company and its officers, among others, for alleged violation of the SRC. On July 21, 2022, the Company and its employees filed an Entry of Appearance with Motion to Suspend Proceedings due to pending appeals before the SEC En Banc being a prejudicial question. On December 9, 2022, the DOJ resolved to suspend the case filed by the EIPD of the SEC pending resolution of the cases with the SEC En Banc.

Management undertakes to pursue and exhaust all legal courses of action to continue its stock brokerage business. Since the SHP has reconsidered and decided to set-aside the revocation of the Company's license as a broker-dealer and considering that the appeal of the IRC of the MSRD is still pending before SEC En Banc, the Company continues to operate as a broker-dealer in securities. Management also expects the Company to continue generating rent income from leasing out real properties.

2. Summary of Significant Accounting Policies

Basis of Preparation

The accompanying financial statements have been prepared on a historical cost basis except for equity investment securities that have been measured at fair value. The financial statements are presented in Philippine pesos (₱), which is also the Company's functional currency, and all amounts are rounded to the nearest peso except when otherwise indicated.

Statement of Compliance

The financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs).

Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year, except that the Company has adopted the following new accounting amendments starting on or after January 1, 2022. Adoption of these amendments did not have any significant impact on the Company's financial condition or performance unless otherwise indicated.

- Amendments to PFRS 3, *Reference to the Conceptual Framework*
- Amendments to PFRS 9, PFRS 7, PFRS 4 and PFRS 16, *Interest Rate Benchmark Reform – Phase 2*
- 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*

The Company's financial instruments are not subject to IBOR reform.

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 (i.e., an exit price). The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

If the asset or liability measured at fair value has a bid and ask price, the price within the bid-ask spread that is most representative of fair value in the circumstances shall be used to measure fair value, regardless of where the input is categorized within the fair value hierarchy.

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.

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

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

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

For purposes of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of hierarchy.

Cash

Cash includes cash on hand and in banks. Cash in banks earn interest at prevailing bank deposit rates.



Financial Instruments - Initial Recognition

Date of recognition

The Company recognizes a financial asset or a financial liability in the statement of financial position when it becomes a party to the contractual provision of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or market convention are recognized on trade date. Securities transactions and the related commission income and expense are recorded on trade date.

Initial recognition of financial instruments

All financial instruments are initially recognized at fair value. Except for financial assets and financial liabilities valued at FVTPL, the initial measurement of financial instruments includes transaction costs.

Financial Instruments - Classification and Measurement

The Company classifies its financial assets in the following categories: financial assets at FVTPL, financial assets at FVOCI and financial assets measured at amortized cost while financial liabilities are classified as financial liabilities at amortized cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Relevant factors considered by the Company in determining the business model for a group of financial assets include how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel. The Company also considers the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed and how managers, if any, of the business are compensated.

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, except for equity securities irrevocably designated at FVOCI at initial recognition. Reclassification of financial liabilities is not allowed.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are recorded in the statement of financial position at fair value, with changes in the fair value included under the 'Trading and securities gains - net' account in the statement of income.



Financial assets at amortized cost

The Company measures financial assets at amortized cost if both of the following conditions are met:

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

These include 'Cash', 'Receivable from customers', 'Receivable from non-customers', 'Receivable from clearing house' and refundable deposits under 'Other assets' account in the statement of financial condition.

As of December 31, 2022 and 2021, the Company has no financial assets at FVOCI.

Other financial liabilities

Issued financial instruments or their components, which are not designated at FVTPL are classified as other financial liabilities, where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest method.

This policy applies to the Company's 'Payable to customers', 'Payable to clearing house' and 'Accounts payable and other accrued expenses' in the statement of financial condition.

As of December 31, 2022 and 2021, the Company has no financial liabilities at FVTPL.

Derecognition of Financial Assets and Liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

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

Impairment of Financial Assets

The Company recognizes an allowance for expected credit losses (ECLs) for all loans and other debt financial assets not classified as at FVTPL, together with loan commitments and financial guarantee contracts. 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 effective interest rate, including 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 significant increase in credit risk 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 significant increase in credit risk 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 used this general approach for its cash and receivable from non-customers.

The Company used the simplified approach to calculate ECL for its receivable from customers and clearing house which do not contain significant financing component. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company uses a provision matrix that estimates provision rates per days past due bucket based on SEC requirements, which considers the collateral securities with market value adjusted by certain factor, as required in the Company's risk-based capital calculation and incorporates forward-looking information. A broad range of forward-looking factors are considered as economic inputs, such as growth of the gross domestic product, inflation rates, unemployment rates, interest rates and Philippine Stock Exchange Composite Index (PSEi) statistical indicators.

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

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement 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. The Company assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Company and all of its counterparties.

Exchange Trading Right

Exchange trading right was acquired, together with PSE shares, in exchange for the Exchange membership seat under the conversion program of PSE. The exchange trading right is carried at the amount allocated from the original cost of the exchange membership seat (after a corresponding allocation was made to the value of the PSE shares) less allowance for impairment losses, if any. The Company does not intend to sell the exchange trading right in the near future.

The exchange trading right is deemed to have 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. It is tested annually for any impairment in value. Any impairment loss is charged directly under profit or loss in the statement of comprehensive income.

Investment Properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred and if the recognition criteria are met. Costs of day-to-day servicing of an investment property is recognized as expense on the period they are incurred.

Subsequent to initial recognition, depreciable investment properties are carried at cost less accumulated depreciation and any impairment in value. Land is carried at cost less any impairment losses. Depreciation is calculated on a straight-line basis using the remaining useful lives from the time of acquisition of the investment properties but not to exceed 25 years. The Company starts depreciating the items of investment properties when these are available for use (i.e. when it is in the



location and condition necessary for it to be capable of operating in the manner intended by management) and continues depreciating them until derecognized or until estimated useful life.

Investment properties are derecognized when either they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the year of retirement or disposal.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment in value.

The initial cost of property and equipment comprises of its purchase price and any directly attributable cost of bringing the property and equipment to its working condition and location for its intended use. The cost of minor repairs and maintenance is charged to income as incurred; significant renewals and improvements are capitalized. When property and equipment are retired or otherwise disposed of, the costs and related accumulated depreciation and any impairment in value are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Depreciation is computed using the straight-line method over the following estimated useful lives of property and equipment as follows:

| | Years |
|-----------------------------------|---|
| Computer equipment | 2 to 5 |
| Furniture, fixtures and equipment | 2 to 5 |
| Leasehold improvements | 10 years or lease term, whichever is shorter |

The estimated useful lives and the depreciation are reviewed periodically to ensure that these 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 profit or loss.

Group Life Insurance Policy

The group pension plan under 'Other Assets' is carried at the amount that could be realized under the contract based on its cash surrender value (CSV) as of the statement of financial position date. The change in CSV is recognized as 'Other Expense' under 'Miscellaneous Expenses' in the statement of income.

Impairment of Nonfinancial Assets

At each reporting date, the Company assesses whether there is any indication that its nonfinancial assets such as property and equipment, investment properties and exchange trading right may be impaired. When an indication 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 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 (CGU) 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.

Exchange trading right is reviewed and tested at each reporting date or more frequently, irrespective whether there is indication of impairment or none. Property and equipment and investment properties are reviewed and tested whether there is indication of impairment and at least on each reporting date.

An impairment loss is charged to operations in the year in which it arises.

A previously recognized impairment loss is reversed only if there has been a change in the estimate used to determine the recoverable amount of an asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation and amortization) had no impairment loss been recognized for the asset in prior years.

Revenue Recognition

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

Commissions

The Company is in the business of rendering brokerage services, which include trade execution and clearing services, to various customers. Management assessed that these services are considered a single performance obligation as they are both inputs to the combined output of security trading.

Revenue from commissions is recognized at a point in time at which the Company transfers control of the service to the customer. The Company performs the service of providing the customer with the ability to acquire or dispose of rights to obtain the economic benefits of a financial instrument (e.g., stocks). Therefore, management assessed that the transfer of control of the performance obligation generally occurs on the trade date because that is when the underlying financial instrument (for a purchase) or purchaser (for a sale) is identified and the pricing is agreed upon (i.e., the Company has identified the counterparty and enters into the contract on behalf of the customer). On the trade date, the customer has obtained control of the service because it can direct the use of, and obtain substantially all of the remaining benefits from, the asset that comes from the trade service.

Revenue Recognition (outside the scope of PFRS 15)

Trading gains and losses

Trading gains and losses represent result arising from trading activities including all gains and losses from changes in fair value of financial assets at FVTPL.

Interest income

Interest income on cash in bank is recorded on a time proportion basis taking into account the effective yield on the asset. Interest income also includes interest from margin account which is recorded on a transaction date basis as securities transactions occur.

Rent income

Rent income is recognized on a straight-line basis over the lease term.

Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders of the issuer approve the dividend.



Expense Recognition

Expenses are recognized when decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. Expenses encompass losses as well as those expenses that arise in the normal course of business of the Company.

Cost of services

Cost that includes all expenses associated with the specific service income. Such costs are recognized when the related service income have been recognized.

Operating expenses

Operating expenses constitute costs incurred in administering the business and are recognized when incurred.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the estimated useful life of five years.

Right-of-use assets are subject to impairment. Refer to the accounting policies in section *Impairment of nonfinancial assets*.

ii. Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments and exercise price of a purchase option reasonably certain to be exercised by the Company or payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest recognized under 'Interest expense' and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.



Company as a lessor

Leases where the Company does not transfer substantially all the risks and rewards of ownership of the assets are classified as operating leases. Lease income is recognized on a straight-line basis over the lease term. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Retirement Benefits

The Company's retirement plan requires the Company to pay fixed contributions based on the employees' monthly salaries. However, the annual contribution of the Company on its plan does not qualify as a pension plan asset as the insurance policy held by the Company did not meet the definition of a qualifying insurance policy since the insurer is a related party of the Company (i.e. Philippine Life Financial Assurance Corporation). The contributions made under the insurance policy are recognized as a separate asset under 'Other assets'.

The retirement cost of the Company is actuarially determined using the projected unit credit method. Under this method, the current service cost is the present value of retirement benefits payable in the future with respect to services rendered in the current period.

The net defined benefit liability is the aggregate of the present value of the defined benefit obligation at the end of the reporting period.

Defined benefit costs comprise the following:

- Service cost
- Interest on the defined benefit liability
- Remeasurements of defined benefit liability

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

Interest expense is the change during the period in the net defined benefit liability that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability. Interest expense is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods. All remeasurements recognized in the OCI account 'Remeasurement gains (losses) on retirement plan' are not classified to another equity account in subsequent periods.

Income Tax

Current tax

Current tax assets and liabilities for the current and prior periods 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 end of the reporting period.

Deferred tax

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period 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, including asset revaluations. Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular income tax, and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable profit 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, affects neither the accounting income nor taxable income or loss.

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

Deferred tax assets and 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 end of the reporting period. Movements in the deferred tax assets and liabilities arising from changes in tax rates are charged against or credited to income for the period.

Current tax and deferred tax relating to items recognized directly in the statement of comprehensive income is also recognized in the statement of comprehensive income and not in the statement of income.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to offset current tax assets against current tax liabilities and the deferred taxes related to the same taxable entity and the same taxation authority.

Value-added Tax (VAT)

The input VAT pertains to the 12% indirect tax paid by the Company in the course of the Company's trade or business on local purchase of goods or services.

Output VAT pertains to the 12% tax due on commissions earned from the Company's trading transactions with customers and sale of financial assets and other services.

If at the end of any taxable month, the output VAT exceeds the input VAT, the outstanding balance is included under 'Accounts payable and accrued expenses' account. If the input VAT exceeds the output VAT, the excess shall be carried over to the succeeding months and included under 'Other assets' account.

Provisions and Contingencies

Provisions are recognized when an obligation (legal or constructive) is incurred 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 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 in the financial statements but are disclosed when an inflow of economic benefits is probable.



Events After the Statement of Financial Condition Date

Post year-end events up to the date of the approval of the Board of Directors (BOD) of the financial statements that provide additional information about the Company's position at the statement of financial condition date (adjusting events) 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.

Standards Issued but not yet Effective

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

Effective beginning on or after January 1, 2023

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

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*

Deferred effectivity

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

3. Significant Accounting Judgments and Estimates

The preparation of the financial statements in accordance with PFRSs requires the Company to make judgment and estimates that affect the reported amounts of assets, liabilities, income and expenses, and disclosure of contingent assets and contingent liabilities, if any. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in 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.

The following are the critical judgments and key assumptions that have a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Judgments

(a) Going Concern Assumption

The SHP rendered a decision revoking the registration and license of Company as a broker-dealer in securities on June 11, 2021. As discussed in Note 1, the SHP subsequently set aside the penalty of revocation of the registration and license of the Company as a broker-dealer. The IRC of the MSRD has filed a memorandum of appeal to the SEC En Banc to declare the SHP resolution to be void. The Company filed a comment/opposition asking the SEC En Banc to



dismiss outright and/or deny the appeal of the IRC for lack of merit. The Company continues to operate as a broker-dealer in securities (See Note 1). Further, management assessed that the Company could continue to operate as the Company has sufficient resources and capital. Management also assessed that the Company will continue to earn rental income from leasing out real properties. The Company made an assessment of the Company's ability to continue as a going concern and based on the foregoing, the Company assessed that it could continue its business for the foreseeable future. Therefore, the financial statements continue to be prepared on a going concern basis.

(b) Offsetting of financial assets and liabilities

The Company considers its compliance with the offsetting criteria as a significant judgment in presenting financial assets and liabilities in its statement of financial condition. In making such assessment, the Company determines at each financial asset and liability the existence of an enforceable legal right to offset and if there is an intention to settle on a net basis and to realize the assets and settle the liabilities simultaneously.

(c) Recognition of provisions and contingencies

The Company is currently involved in legal proceedings and regulatory investigations. The Company currently does not believe these proceedings will have a material adverse effect on its financial position. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings (see Notes 16 and 23).

Estimates

(a) Impairment of receivables from customers

The measurement of impairment losses under PFRS 9 requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company applies the simplified approach for its measurement of ECL for receivable from customers and clearing house that are considered trade receivables, and therefore, does not track significant increases in credit risk. The Company uses a provision matrix that estimates provision rates per days past due bucket based on the SEC requirements, which considers the collateral securities with market value adjusted by certain factor, as required in the Company's risk-based capital calculation, and incorporates forward-looking information.

The carrying values of the receivables are disclosed in Note 7 and the related allowance for credit losses are disclosed in Note 14.

(b) Recognition of deferred tax asset

Deferred tax assets are recognized only to the extent that taxable income will be available against which the deferred tax assets can be used or when sufficient taxable temporary differences will be available to allow all or part of the deferred tax assets to be utilized.

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable income together with future tax planning strategies. Management assessed that it is not probable that the temporary differences will be realized in the foreseeable future. The amounts of unrecognized deferred tax assets are disclosed in Note 21.



(c) *Present value of retirement obligation*

The cost of defined benefit retirement plan as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the

underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the market yields on Philippine government bonds with terms consistent with the expected employee benefit payout as at reporting date, with extrapolated maturities corresponding to the expected duration of the defined benefit retirement plan. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements.

Future salary increases and pension increases are based on expected future inflation rates for the specific country.

The carrying value of the retirement liability is disclosed in Note 19.

4. **Financial Risk Management Objectives and Policies**

The Company's risk management framework is managed through a systematic application of management policies, procedures and practices to identify, measure and control risks inherent in the Company's activities; disseminate the risk philosophy and policies; assist risk-taking business unit(s) in understanding and measuring risk/reward profile; and develop a risk control infrastructure. The key outcome of a structural framework of managing risk is to provide a more effective strategic planning to ensure maximizing opportunities and minimizing losses (integral facet of effective business practice and provides management with a deeper insight and wider perspective for effective management of the Company with a dynamic changing environment).

The Company's principal financial instruments include cash, receivables, FVTPL investments, refundable deposits and liabilities at amortized cost.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk Management Framework

The BOD has overall responsibility for the oversight of the Company's risk management process. The management, with BOD, is responsible for developing, managing and monitoring risk management policies.



Risk Measurement and Reporting System

The volatility of the stock market is the central focus of risk measurement methodologies and limits. It also gauges the returns the Company requires from its activities. The risk measurement framework strives to quantify the potential change in the value of the portfolio as a result of a change in the market risk factors (correlation between changes in value with market forces). This includes marking to market all open positions which the Company is exposed to; the sensitivity of the position or portfolio to a movement in the market risk factor to which it is exposed to; technical and fundamental analysis of equity including movement of the stock index; average turnover, market capitalization, fundamentals, earning projections and trends of a particular equity.

These methodologies would enable the management to assess and evaluate in determining the tolerance for amount of exposure of portfolio based on the market risk factors.

Monitoring and controlling risks are performed based on limits established by the Company on each counterparty transaction. These limits reflect the counterparty's capacity to pay based on his risk profile, financial trends/projections, assets, reputation/integrity, and the adequacy and enforceability of collateral under various scenarios.

The Company's overall risk management process focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The nature of the business exposes the Company to potential risk of loss due to a counterparty defaulting on a contract. To a stockbroker, credit risk, such as counterparty risk, settlement risk, large exposure risk and margin financing risk normally arises from unsettled customer purchases, undelivered securities, unsettled loans and advances, margin lending, default by bond issuer, undelivered services, among others. Trading limits for each customer are set after assessment of the true risk and profile of the customers (i.e., financial capacity, reputation and collateral) on top of risk management procedures. Settlement details are pre-matched with the customers or their custodian banks at least a day before settlement date. Receivable balances are also monitored regularly. In accordance with the Risk Based Capital Adequacy (RBCA) Requirement, a limit is imposed to avoid large exposures on single client/counterparty, single debt issue and single equity relative to particular issuer company and its group of companies.

Maximum exposure to credit risk and collateral and other credit enhancements

Except for receivable from customers, the carrying values of the Company's financial assets as reflected in the statements of financial condition as of December 31, 2022 and 2021 represent the financial asset's maximum exposure to credit risk as there are no collateral held or other credit enhancements related to these financial assets.

For receivables from customers, these are secured by collaterals comprising of equity securities of listed companies and amounts payable to customers. The Company does not have financial guarantees and loan commitments and other credit related liabilities as of December 31, 2022 and 2021.



Maximum credit exposure by counterparty

The table below shows the maximum credit exposure of the Company per counterparty type classifications before and after taking into account any collateral held or other credit enhancements:

| 2022 | | | | |
|---------------------------|-----------------------------|------------------------------|---------------------------------------|--|
| | Gross Carrying Amount | Fair Value of Collateral* | Maximum Exposure to Credit Risk | Financial effect of collateral and other credit enhancements |
| Receivable from customers | | | | |
| Unsecured | ₱3,070,331 | ₱- | ₱3,070,031 | ₱- |
| Partially secured | 14,031,693 | 6,702,988 | 7,406,461 | 6,625,232 |
| Fully secured | 5,489,462 | 55,559,854 | - | 5,489,462 |
| | ₱22,591,486 | ₱62,262,842 | ₱10,476,492 | ₱12,114,694 |
| 2021 | | | | |
| | Gross Carrying Amount | Fair Value of Collateral* | Maximum Exposure to Credit Risk | Financial effect of collateral and other credit enhancements |
| Receivable from customers | | | | |
| Unsecured | ₱3,307,692 | ₱- | ₱3,307,962 | ₱- |
| Partially secured | 13,386,345 | 3,979,753 | 9,406,592 | 3,979,753 |
| Fully secured | 8,612,625 | 1,385,226,229 | - | 8,612,625 |
| | ₱25,306,662 | ₱1,389,205,982 | ₱12,714,284 | ₱12,592,378 |

Credit quality of financial assets

The Company's funds are deposited only in banks that are directly, or comparably with the peer institutions, rated as investment grade by the global external rating agency. Accordingly, placements in these banks are considered to be low credit risk investments. As of December 31, 2022 and 2021, the Company determined that the impact of 12-month ECL ("Stage 1") is not material.

For trade receivables, the Company applied simplified approach in calculating ECLs and does not track changes in credit risk but instead recognizes an allowance based on lifetime ECL at each reporting period. The ECL calculation is based on historical loss experience adjusted for current conditions and forecasts of future economic conditions using reasonable and supportable information available as of the reporting date. The receivables are secured by collateral comprising of equity securities listed in the local stock exchange. Unsecured or partially secured receivables which are already past due (i.e. more than T+3) are provided with allowance for credit losses (see Note 7).

Set out below is the information about the credit risk exposure on the Company's receivable from customers using a provision matrix as of December 31, 2022 and 2021:

| 2022 | | | | | |
|------------------------------|-----------------------|----------------|-----------------|------------------|-------------|
| | Days after trade date | | | | Total |
| | T+0 to T+2 | T+3 to T+13 | T+14 to T+30 | T+31 to T+365 | |
| Expected loss rate | 0.00% | 1.70% | 33.08% | 63.14% | 56.29% |
| Gross amounts of receivables | ₱2,391,277 | ₱56,610 | ₱204,380 | ₱19,939,219 | ₱22,591,486 |
| Expected credit loss | - | 960 | 67,614 | 12,648,644 | ₱12,717,218 |



| | 2021 | | | | Total |
|------------------------------|-----------------------|----------------|-----------------|------------------|-------------|
| | Days after trade date | | | | |
| | T+0 to T+2 | T+3 to T+13 | T+14 to T+30 | T+31 to T+365 | |
| Expected loss rate | 0.00% | 1.12% | 17.77% | 66.87% | 62.20% |
| Gross amounts of receivables | ₱482,943 | ₱940,809 | ₱488,260 | ₱23,394,650 | ₱25,306,662 |
| Expected credit loss | – | 10,581 | 86,779 | 16,185,165 | ₱16,282,525 |

As of December 31, 2022, the Company assessed that receivables from clearing house are considered as high grade and ECL is negligible as there is no default experience and historically, these are collected within 3 trading days. The Company's due from related parties are due on demand and therefore the related ECL is considered negligible except for specific loans receivable from a related party amounting to ₱12.71 million which was fully-provided as of December 31, 2022 and 2021 (see Note 20).

Liquidity risk

Liquidity risk is generally defined as the current and prospective risk to earnings or capital arising from the Company's inability to meet its obligations when they come due without incurring unacceptable losses or costs.

The Company's liquidity risk is managed by holding sufficient liquid assets to ensure short-term funding requirements are met. Prudent liquidity risk management implies maintaining a balance between continuity of funding and flexibility of funding. The Company has established a strong liquidity risk management system characterized by such elements as good management information system, effective analysis of net funding requirements under various scenarios, and/or diversification of funding sources in order to make timely payments on any of the financial obligations to customers. Liquidity is monitored by the Company on a regular basis.

The following tables summarize the maturity profile of the Company's financial assets and liabilities as of December 31, 2022 and 2021 based on the undiscounted gross amounts and contractual maturity (except for the financial assets at FVTPL which are based on expected disposal date). The tables also analyze the maturity profile of the Company's financial assets in order to provide a complete view of the Company's contractual commitments and liquidity.

| | December 31, 2022 | | | | | Total |
|--|--------------------|-------------------|-----------------------|-------------------|---------------------|---------------------|
| | On demand | Up to 1 Month | Over 1 to 6 Months | 6 to 12 Months | More than 1 year | |
| Financial Assets | | | | | | |
| Cash | ₱45,045,646 | ₱– | ₱– | ₱– | ₱– | ₱45,045,646 |
| FVTPL investments | | | | | | |
| Quoted equity securities | – | – | – | 5,701,439 | – | 5,701,439 |
| Loans and receivables | | | | | | |
| Receivables from: | | | | | | |
| Customers | 20,200,208 | 2,391,278 | – | – | – | 22,591,486 |
| Clearing house | – | 2,313,460 | – | – | – | 2,313,460 |
| Non-customers | 24,644,703 | – | – | – | – | 24,644,703 |
| Other assets | – | – | – | – | 153,044 | 153,044 |
| | ₱89,890,557 | ₱4,704,738 | ₱– | ₱5,701,439 | ₱153,044 | ₱100,449,778 |
| Financial Liabilities | | | | | | |
| Other financial liabilities | | | | | | |
| Payables to: | | | | | | |
| Customers | ₱23,291,543 | ₱– | ₱– | ₱– | ₱– | ₱23,291,543 |
| Clearing house | – | 1,909,060 | – | – | – | 1,909,060 |
| Accounts payable and accrued expenses* | 86,978 | 316,613 | 2,202,119 | – | 471,481 | 3,077,191 |
| Lease liabilities | – | 63,186 | 313,559 | 371,103 | 417,123 | 1,164,971 |
| | 23,378,521 | 2,288,859 | 2,515,678 | 371,103 | 888,604 | 29,442,765 |
| | ₱66,512,036 | 2,415,878 | (₱2,515,678) | ₱5,330,336 | (₱735,560) | ₱71,007,013 |

*amounts exclude statutory liabilities



| | December 31, 2021 | | | | | Total |
|---------------------------------------|--------------------|-------------------|-----------------------|-------------------|---------------------|---------------------|
| | On demand | Up to 1 Month | Over 1 to 6 Months | 6 to 12 Months | More than 1 year | |
| Financial Assets | | | | | | |
| Cash | P48,182,040 | P- | P- | P- | P- | P48,182,040 |
| FVTPL investments | | | | | | |
| Quoted equity securities | - | - | - | 6,176,499 | - | 6,176,499 |
| Loans and receivables | | | | | | |
| Receivables from: | | | | | | |
| Clearing house | - | 6,239,720 | - | - | - | 6,239,720 |
| Customers | 24,886,547 | 420,115 | - | - | - | 25,306,662 |
| Non-customers | 23,798,276 | - | - | - | - | 23,798,276 |
| Other assets | - | - | - | - | 187,445 | 187,445 |
| | P96,866,863 | P6,659,835 | P- | P6,176,499 | P187,445 | P109,890,642 |
| Financial Liabilities | | | | | | |
| Other financial liabilities | | | | | | |
| Payables to | | | | | | |
| Customers | P29,063,981 | P- | P- | P- | P- | P29,063,981 |
| Accounts payable and accrued expenses | 43,440 | 1,051,807 | 1,887,619 | - | 471,480 | 3,454,346 |
| Lease liabilities | - | 65,122 | 323,166 | 382,474 | 1,136,435 | 1,907,197 |
| | 29,107,421 | 1,116,929 | 2,210,785 | 382,474 | 1,607,915 | 34,425,524 |
| | P67,759,441 | P5,542,906 | (P2,210,785) | P5,794,025 | (P1,420,470) | P75,465,117 |

Market risk

Market risk is the risk of loss to future earnings, to fair value or future cash flows of a financial instrument as a result of changes in its price, in turn caused by changes in interest rates, equity prices and other market factors. The Company's market risk emanates from its securities in proprietary account which are held for trading purposes and financial instruments classified as FVTPL. In accordance with RBCA requirement, limit is imposed for all equity and foreign exchange positions of the Company.

Interest rate risk

Interest rate risk arises from possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. As of December 31, 2022 and 2021, the Company does not have any financial instrument subject to interest rate risk.

Equity price risk

Equity price risk is the risk that the fair values of equities decrease as a result of changes in the levels of equity indices and the value of individual stocks. The equity price risk exposures arise from the Company's equity investment portfolio.

The Company measures the sensitivity of its investment securities by using PSE index (PSEi) fluctuations.

The following table sets forth, for the year indicated, the impact of changes in PSEi in the Company's trading and securities gains - net on FVTPL investments.

| | 2022 | | 2021 | |
|---|-----------------|-------------------|----------|------------|
| | | | | |
| Changes in PSEi | 8.34% | (8.34%) | 18.39% | (18.39%) |
| Change in unrealized gain in equity portfolio | P443,552 | (P443,552) | P922,335 | (P922,335) |
| As a percentage of the Company's 'Trading and securities gains - net' | 86.30% | (86.30%) | 69.72% | (69.72%) |



5. Fair Value Measurement

As of December 31, 2022 and 2021, the carrying values of the Company's financial assets and financial liabilities as reflected in the statements of financial condition and related notes approximate their respective fair values.

The methods and assumptions used by the Company in estimating the fair value of the assets and liabilities are:

Cash, receivables from and payable to customer, receivables from non-customer, receivables from and payable to clearing house and accounts payables and accrued expenses - Carrying amounts approximate fair values due to either the demand nature or the relatively short-term nature of the accounts.

Refundable deposit - Fair value is estimated using present value technique, which links the future amounts to a present amount using PHP Bloomberg Valuation (BVAL) as the discount rate. This valuation technique captures the estimate of future cash flows, time value of money as represented by the rate on risk free monetary assets that have maturity dates or durations that coincide with the period covered by the cash flows and other factors that market participants would take into account in the circumstances.

Financial assets at FVTPL - The fair values are based on closing prices as published at PSE and are classified under Level 1 in the fair value hierarchy.

Investment properties - The fair values of the Company's investment properties have been determined based on valuations made by independent appraisers on the basis of recent sales price of similar properties in the same areas as the investment properties and taking into account the economic conditions prevailing at the time the valuations were made. They make use of market data approach which involves correlation and analysis of comparable lots, either recently sold or offered for sale in the market, upon which the market value of subject property is estimated.

The following tables show comparison by category of carrying amounts and fair values of the Company's financial and non-financial assets as of December 31, 2022 and 2021:

| | Carrying Values | December 31, 2022 | | |
|--|-----------------|-------------------|---|---|
| | | Total | Quoted prices in active markets (Level 1) | Significant unobservable inputs (Level 3) |
| Assets measured at fair value: | | | | |
| Financial assets | | | | |
| Financial assets at FVTPL | ₱5,701,439 | ₱5,701,439 | ₱5,701,439 | ₱- |
| Assets for which fair values are disclosed: | | | | |
| Investment properties | 47,288,396 | 89,745,000 | - | 89,745,000 |
| Refundable security deposits | 153,044 | 147,197 | - | 147,197 |



| | December 31, 2021 | | | |
|---|-------------------|------------|---|---|
| | Carrying Values | Total | Fair value measurement using | |
| | | | Quoted prices in active markets (Level 1) | Significant unobservable inputs (Level 3) |
| Assets measured at fair value: | | | | |
| Financial assets | | | | |
| Financial assets at FVTPL | ₱6,176,499 | ₱6,176,499 | ₱6,176,499 | ₱- |
| Assets for which fair values are disclosed: | | | | |
| Refundable security deposits | 187,445 | 180,283 | - | 180,283 |
| Investment properties | 48,294,532 | 89,745,000 | - | 89,745,000 |

In 2022 and 2021, no fair values of financial and non-financial assets are classified under Level 2.

6. Cash

This account consists of:

| | 2022 | 2021 |
|-----------------|--------------------|-------------|
| Petty cash fund | ₱5,000 | ₱5,000 |
| Cash on hand | - | 37,414 |
| Cash in banks | 45,045,646 | 48,182,040 |
| | ₱45,050,646 | ₱48,224,454 |

Cash in banks earn interest at the respective bank deposit rates.

In compliance with SRC Rule 49.2-1, *Customer Protection Reserves and Custody of Securities*, the Company maintains a special reserve bank account (included under Cash in banks) for the exclusive benefits of its customers amounting to ₱16.53 million and ₱15.12 million as of December 31, 2022 and 2021. The Company's reserve requirement is determined monthly based on the Philippine SEC's prescribed computations. As of December 31, 2022 and 2021, the Company has complied with the SRC prescribed reserve requirement.

Interest income earned on bank deposits amounting to ₱0.03 million in 2022 and ₱0.04 million in 2021.

7. Receivable from Customers and Non-customers

Receivables from customers are due within one year from the respective reporting dates:

| | 2022 | | 2021 | |
|--|-------------------|---------------------------|----------------|---------------------------|
| | Money Balances | Security Valuation - Long | Money Balances | Security Valuation - Long |
| Cash accounts: | | | | |
| Fully secured | | | | |
| More than 250% | ₱3,083,362 | ₱52,003,345 | ₱2,340,503 | ₱ 1,377,440,073 |
| Between 150% and 250% | 1,196,930 | 2,199,119 | 1,065,364 | 2,217,203 |
| Between 100% and 150% | 1,209,171 | 1,357,390 | 5,206,758 | 5,568,953 |
| Partially secured | | | | |
| Below 100% | 14,031,693 | 6,702,988 | 13,386,345 | 3,979,753 |
| Unsecured accounts | 3,070,331 | - | 3,307,692 | - |
| | 22,591,486 | 62,262,842 | 25,306,662 | 1,389,205,982 |
| Less allowance for credit losses (Note 14) | 12,717,217 | - | 16,282,525 | - |
| | ₱9,874,269 | ₱62,262,842 | ₱9,024,137 | ₱ 1,389,205,982 |



As of December 31, 2022 and 2021, receivable from customers represents commission and interest income amounting to ₱1.27 million and ₱1.28 million, respectively, and non-revenue amounts from clients' buying transactions amounting to ₱21.32 million and ₱24.02 million, respectively.

The composition of receivable from non-customers is as follows:

| | 2022 | 2021 |
|--|--------------------|-------------|
| Due from related parties (Note 20) | ₱20,991,441 | ₱20,137,441 |
| Accrued rent receivable | 882,571 | 882,571 |
| Advances to employees | 319,688 | 407,049 |
| Other receivables | 2,451,003 | 2,371,215 |
| | 24,644,703 | 23,798,276 |
| Less allowance for credit losses (Note 14) | 12,713,328 | 12,713,328 |
| | ₱11,931,375 | ₱11,084,948 |

'Other receivables' include contributions made to the Clearing and Trade Guarantee Fund (CTGF). Contributions to the CTGF are refundable 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. As of December 31, 2022 and 2021, the balance of the refundable CTGF amounted to ₱2.11 million and ₱2.09 million, respectively.

8. Financial Assets at Fair Value through Profit or Loss

As of December 31, 2022 and 2021, financial assets at FVTPL consist of investments in equity securities amounting to ₱5.70 million and ₱6.18 million, respectively. Dividends earned in 2022 and 2021 amounted to ₱0.14 million and ₱0.09 million, respectively, and is presented under 'Dividend income' in the statements of income.

In 2022 and 2021, changes in fair value of financial assets at FVTPL recorded as 'Trading and securities losses - net' in the statements of income amounted to ₱0.51 million and ₱1.32 million, respectively.

9. Investment Properties

The composition of and movements in this account follow:

| | 2021 | 2021 |
|---------------------------------------|--------------------|-------------|
| Cost | | |
| Balances at beginning and end of year | ₱55,524,454 | ₱55,524,454 |
| Accumulated Depreciation | | |
| Balances at beginning of the year | 7,229,922 | 6,177,719 |
| Depreciation expense | 1,006,136 | 1,052,203 |
| Balances at end of year | 8,236,058 | 7,229,922 |
| Net Book Values | ₱47,288,396 | ₱48,294,532 |

The Company entered into property leases on its condominium units for up ten years. Rent income amounted to ₱3.01 million and ₱3.21 million in 2022 and 2021, respectively.



Direct expenses, pertaining to condominium dues and real estate property taxes, arising from investment properties amounted to ₱0.10 million and ₱0.10 million in 2022 and 2021, respectively.

10. Property and Equipment

The composition of and movement in this account follow:

| | 2022 | | | |
|---------------------------------|-----------------------|--|---------------------------|-----------------|
| | Computer Equipment | Furniture, Fixtures, and Equipment | Leasehold Improvements | Total |
| Cost | | | | |
| Balances at beginning of year | ₱1,448,533 | ₱ 1,051,721 | ₱1,651,786 | ₱ 4,152,040 |
| Additions | 37,946 | - | - | 37,946 |
| Balances at end of year | 1,486,479 | 1,051,721 | 1,651,786 | 4,189,986 |
| Accumulated Depreciation | | | | |
| Balances at beginning of year | 1,351,026 | 1,051,721 | 1,555,585 | 3,958,632 |
| Depreciation expense | 55,360 | - | 67,466 | 122,826 |
| Balances at end of year | 1,406,386 | 1,051,721 | 1,623,051 | 4,081,458 |
| Net Book Values | ₱80,093 | ₱- | ₱28,735 | ₱108,528 |

| | 2021 | | | |
|---------------------------------|-----------------------|--|---------------------------|-----------------|
| | Computer Equipment | Furniture, Fixtures, and Equipment | Leasehold Improvements | Total |
| Cost | | | | |
| Balances at beginning of year | ₱1,390,463 | ₱ 1,051,721 | ₱1,651,786 | ₱ 4,093,970 |
| Additions | 58,070 | - | - | 58,070 |
| Balances at end of year | 1,448,533 | 1,051,721 | 1,651,786 | 4,152,040 |
| Accumulated Depreciation | | | | |
| Balances at beginning of year | 1,275,601 | 1,051,721 | 1,399,732 | 3,727,054 |
| Depreciation expense | 75,425 | - | 156,153 | 231,578 |
| Balances at end of year | 1,351,026 | 1,051,721 | 1,555,885 | 3,958,632 |
| Net Book Values | ₱97,507 | ₱- | ₱95,901 | ₱193,408 |

As of December 31, 2022 and 2021, the cost of fully depreciated property and equipment still in use by the Company amounted to ₱2.46 million and ₱2.22 million, respectively.

11. Right-of-use Asset and Lease Liabilities

The Company has a lease contract for its office space used in operations which has a lease term of five (5) years subject to renewal upon mutual agreement of the parties. The lease contract expired on August 31, 2021 and was subsequently renewed for another three (3) years subject to further renewal upon mutual agreement of the parties.



The rollforward analysis of right-of-use asset account follows:

| | 2021 | 2021 |
|---------------------------------|-------------------|-------------------|
| Cost | | |
| Balances at beginning of year | ₱2,277,848 | ₱1,822,515 |
| Derecognition of expired leases | – | (1,822,515) |
| Additions | – | 2,277,848 |
| Balances at end of year | 2,277,848 | 2,277,848 |
| Accumulated Depreciation | | |
| Balance at beginning of year | ₱253,094 | ₱1,366,886 |
| Depreciation | 759,283 | 708,723 |
| Derecognition of expired leases | – | (1,822,515) |
| Balances at end of year | 1,012,377 | 253,094 |
| Net book value | ₱1,265,472 | ₱2,024,754 |

The rollforward analysis of lease liabilities account follows:

| | 2022 | 2021 |
|--------------------------------|-------------------|-------------------|
| Balances at beginning of year | ₱1,907,197 | ₱394,472 |
| Additions during the year | – | 2,146,287 |
| Interest expense | 47,143 | 24,246 |
| Payments | (789,369) | (657,808) |
| Balances at end of year | ₱1,164,971 | ₱1,907,197 |

Shown below is the maturity analysis of the undiscounted lease payments:

| | 2022 | 2021 |
|------------------------------|-------------------|-------------------|
| Within one year | ₱789,369 | ₱789,369 |
| More than 1 year to 2 years | 394,685 | 789,369 |
| More than 2 years to 3 years | – | 394,685 |
| | ₱1,184,054 | ₱1,973,423 |

12. Exchange Trading Right

As of December 31, 2022 and 2021, the carrying value of the exchange trading right amounted to ₱0.95 million. As of December 31, 2022 and 2021, the Company has no intention of selling the exchange trading right in the near future.

As of December 31, 2022 and 2021, the latest transacted price of the exchange trading right as provided by the PSE and used for determining the net realizable value of exchange trading right, amounted to ₱8.00 million and ₱9.00 million, respectively.



13. Other Assets

This account consists of:

| | 2022 | 2021 |
|---|-------------------|------------|
| Current | | |
| Input VAT | ₱728,203 | ₱1,252,081 |
| Creditable withholding tax | 2,435,778 | 2,041,564 |
| Prepaid expenses | 337,051 | 344,878 |
| Deferred input VAT | – | 95,368 |
| Other current assets – gross | 3,501,032 | 3,733,891 |
| Less: Allowance for impairment losses | (198,243) | (198,243) |
| Other current assets – net | 3,302,789 | 3,535,648 |
| Noncurrent | | |
| Group life insurance policy (Notes 19 and 20) | 5,818,946 | 5,694,777 |
| Advance rent and refundable deposit | 153,044 | 187,445 |
| | 5,971,990 | 5,882,222 |
| | ₱9,274,779 | ₱9,417,870 |

Group life insurance policy pertain to the cash surrender value of the total annual contributions to the Company's group insurance policy that did not qualify as a pension plan asset.

14. Allowance for Credit Losses

The breakdown of allowance for credit losses is shown in the table below;

| | 2022 | 2021 |
|-------------------------------|--------------------|-------------|
| Receivable from customers | ₱12,717,217 | ₱16,282,525 |
| Receivable from non-customers | 12,713,328 | 12,713,328 |
| Other assets | 198,243 | 198,243 |
| | ₱25,628,789 | ₱29,194,096 |

The movement in ECLs for receivable from customers is as follows:

| | 2022 | 2021 |
|-------------------------------|--------------------|-------------|
| ECL amounts as at January 1 | ₱16,282,525 | ₱16,784,715 |
| Reversal during the year | (3,565,308) | (502,190) |
| ECL amounts as at December 31 | ₱12,717,217 | ₱16,282,525 |

In 2022 and 2021, there were no write-offs for receivable from customers.

There were no movements in the ECL amounts for receivables from non-customers and other assets in 2022 and 2021.



15. Payable to Customers

This account consists of payables to customers which are due within one year.

| | 2022 | | |
|---------------------|--------------------|-----------------------|-----------|
| | Money Balances | Security Valuation | |
| | | Long | Short |
| With money balances | ₱23,291,542 | ₱205,550,309 | ₱- |
| No money balances | - | 5,011,257,672 | - |
| | ₱23,291,542 | ₱5,216,807,981 | ₱- |

| | 2021 | | |
|---------------------|--------------------|-----------------------|-------------------|
| | Money Balances | Security Valuation | |
| | | Long | Short |
| With money balances | ₱29,063,981 | ₱326,962,906 | ₱1,591,980 |
| No money balances | - | 2,702,873,047 | - |
| | ₱29,063,981 | ₱3,029,835,953 | ₱1,591,980 |

16. Accounts Payable and Accrued Expenses

This account consists of:

| | 2022 | 2021 |
|--|-------------------|------------|
| Financial Liabilities | | |
| Accrued expenses and provisions (Note 1) | ₱1,749,167 | ₱2,471,854 |
| Security deposits | 939,099 | 939,099 |
| Other payables | 388,926 | 43,393 |
| | 3,077,191 | 3,454,346 |
| Nonfinancial Liabilities | | |
| Accrued other expenses | 77,100 | 100,280 |
| Withholding taxes | 31,188 | 79,177 |
| Rental deposits | 625,095 | 625,095 |
| | 733,383 | 804,552 |
| | ₱3,810,574 | ₱4,258,898 |

The non-current portion of accounts payable and accrued expenses amounting to ₱0.47 million as of December 31, 2022 and 2021 pertains to security deposits that are refundable upon expiration of its related lease term on December 31, 2029.

17. Equity

As of December 31, 2022 and 2021, details of capital stock are as follows:

| | Number of shares | Amounts |
|--|---------------------|--------------|
| Authorized capital stock, ₱100 par value | 1,500,000 | ₱150,000,000 |
| Issued and outstanding | 1,000,000 | 100,000,000 |



Capital Management

The primary objectives of the Company's capital management are to ensure that it complies with externally imposed capital requirements and it maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholders' value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital structure, or issue capital securities. No changes were made in the objectives, policies and processes from the previous years.

Regulatory Qualifying Capital

SEC Memorandum Circular No. 16 dated November 11, 2004 provides the guidelines on the adoption in the Philippines of the Risk Based Capital Adequacy (RBCA) Framework for all registered brokers dealers in accordance with SRC. These guidelines cover the following risks:

- (a) position or market risk,
- (b) credit risks such as counterparty, settlement, large exposure, and margin financing risks, and
- (c) operational risk.

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 credit and impairment losses, subordinated liabilities, deferred income tax, 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.

On January 16, 2014, the Capital Markets Integrity Corporation (CMIC), the independent audit surveillance and compliance unit of PSE, issued a memorandum circular informing trading participants to maintain status quo for purposes of computing RBCA ratio despite the change in the financial statements presentation of receivables and payables for trading operations as required by the related accounting standards.

As of December 31, 2022 and 2021, the Company has complied with the above regulatory requirements.

As of December 31, 2022 and 2021, the Company's RBCA ratios are shown in the table below.

| | 2022 | 2021 |
|--|---------------------|--------------|
| Equity eligible for net liquid capital | ₱100,793,366 | ₱103,803,046 |
| Less: Ineligible assets | 70,828,759 | 68,683,617 |
| NLC | ₱29,964,607 | ₱35,119,429 |

(Forward)



| | 2022 | 2021 |
|-------------------------------|--------------------|--------------------|
| Operational risk | ₱2,042,724 | ₱2,572,170 |
| Position risk | 1,898,761 | 2,017,908 |
| Counterparty risk | 67,768 | 89,067 |
| TRCR | ₱4,009,253 | ₱4,679,145 |
| AI | ₱30,949,696 | ₱38,684,626 |
| 5% of AI | ₱1,547,485 | ₱1,934,231 |
| Required NLC | 5,000,000 | 5,000,000 |
| Net risk-based capital excess | 24,964,607 | 27,943,157 |
| Ratio of AI to NLC | 103% | 107% |
| RBCA ratio | 747% | 751% |

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

Ineligible assets

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

Operational risk requirement

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

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, but subject to certain exclusions as mentioned in the SEC Memorandum Circular No. 16-Series of 2004.

Retained Earnings

In addition, SRC Rule 49.1 (B), *Reserve Fund*, of such circular requires that every broker-dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to Appropriated Retained Earnings. Minimum appropriation shall be 30.00%, 20.00% and 10.00% of profit after tax for broker-dealers with unimpaired paid up capital between ₱10.00 million to ₱30.00 million, between ₱30.00 million to ₱50.00 million and more than ₱50.00 million, respectively.



The Company reported net loss amounting to ₱2.61 million and ₱1.66 million resulting in a nil appropriation for reserve fund in 2022 and 2021, respectively. As of December 31, 2022 and 2021, the appropriated retained earnings amounted to ₱7.03 million.

18. Operating Expenses

In 2022 and 2021, Professional fees, membership dues and other costs include professional fees amounting to ₱1.07 million and ₱2.6 million, respectively, and provisions recognized in 2021 (Notes 1 and 16).

Miscellaneous expenses consist of:

| | 2022 | 2021 |
|---|-----------------|-----------------|
| Entertainment, amusement and recreation | ₱84,523 | ₱72,345 |
| Transportation and travel | 47,420 | 63,972 |
| Others | 682,502 | 147,603 |
| | ₱814,445 | ₱283,920 |

Others include insurance expense, utilities, bank charges, among others.

19. Retirement Benefits

The Company does not have a formal retirement plan. Employees who will qualify for retirement benefits will be paid the minimum retirement benefit under Republic Act (RA) 7641, *Retirement Pay Law*. For purposes of complying with RA 7641, the Company engaged an independent actuary to determine the amount of benefit obligation as required by RA 7641. The most recent actuarial valuation was carried out as of December 31, 2022. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit actuarial method.

The principal actuarial assumptions used to determine the retirement benefits of the Company as of December 31, 2022 and 2021 are shown below:

| | 2022 | 2021 |
|----------------------|-------|-------|
| Discount rate | 5.00% | 5.00% |
| Salary increase rate | 3.00% | 3.00% |

The movements in the retirement liability of the Company are as follows:

| | 2022 | 2021 |
|-------------------------------|-------------------|-------------------|
| Balances at beginning of year | ₱2,374,548 | ₱2,396,101 |
| Retirement expense | 308,193 | 348,044 |
| Benefits paid | (314,500) | - |
| Remeasurement losses (gains) | 392,123 | (369,597) |
| Balances at the end of year | ₱2,760,364 | ₱2,374,548 |



The following table summarizes the components of the retirement expense recognized as part of 'Personnel costs' in profit or loss:

| | 2022 | 2021 |
|----------------------|-----------------|----------|
| Current service cost | ₱235,828 | ₱269,149 |
| Interest cost | 72,365 | 78,895 |
| | ₱308,193 | ₱348,044 |

The movements in remeasurement gains (losses) on retirement plan recognized in OCI are as follows:

| | 2022 | 2021 |
|--|-------------------|------------|
| Balances at beginning of year | ₱121,115 | (₱248,482) |
| Remeasurement gains (losses) arising from: | | |
| Experience adjustments | (758,127) | 151,193 |
| Changes on experience adjustments | 366,004 | 218,404 |
| | (392,123) | 369,597 |
| Balances at end of year | (₱271,008) | ₱121,115 |

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

| | 2022 | |
|------------------|---|---|
| | Increase (decrease) in basis points | Increase (decrease) in present value of obligation |
| Discount rates | +100 | (₱145,151) |
| | -100 | 162,921 |
| Salary increases | +100 | 180,162 |
| | -100 | (162,103) |
| | 2021 | |
| | Increase (decrease) in basis points | Increase (decrease) in present value of obligation |
| Discount rates | +100 | (₱137,044) |
| | -100 | 157,151 |
| Salary increases | +100 | 168,739 |
| | -100 | (148,854) |

Shown below is the maturity profile of the undiscounted benefit payments:

| | 2022 | 2021 |
|--------------------------------|-------------------|------------|
| Less than 1 year | ₱1,415,542 | ₱1,562,960 |
| More than 1 year to 5 years | 243,403 | - |
| More than 5 years to 10 years | 1,293,959 | 1,162,173 |
| More than 10 years to 15 years | 2,830,052 | 2,099,212 |
| More than 15 years to 20 years | 869,257 | 626,103 |
| More than 20 years | 1,435,883 | 1,597,185 |



The average duration of the defined benefit obligation as of December 31, 2022 and 2021 is 7.26 years and 12.93 years, respectively.

The Company availed of a pension plan from PhilPlans First, Inc. (PhilPlans), a related party, through a Group Pension Plan Contract, whereby PhilPlans agrees and guarantees to pay the contracted pension benefits and such other benefits to the Company subject to the terms and conditions of the plan contract. PhilPlans enrolled the participants under a Group Life Insurance Policy issued by Philippine Life Financial Assurance Corporation. However, since PhilPlans is a related party, the insurance policies acquired therefrom shall not be considered as qualifying insurance policy nor shall be accounted for as a plan asset that can be deducted to determine the net defined benefit obligation. Instead, the Company recognizes its right to reimbursement under the insurance policies amounting to ₱5.82 million and ₱5.69 million as of December 31, 2022 and 2021, respectively, under 'Other assets' account.

20. Related Party Transactions

In the ordinary course of business, the Company transacts with its related parties. Parties are related if one party has the ability, directly or indirectly, to control the other parties or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. The transactions of the Company to its related parties are done in the normal conduct of operations and are recorded in the same manner as transactions are entered into with other parties.

The following table presents the balances of significant transactions with related parties as of December 31, 2022 and 2021:

| Category | Outstanding Balance/Volume | | Nature, Terms and Conditions |
|---|----------------------------|--------------|---|
| | 2022 | 2021 | |
| <u>Affiliates</u> | | | |
| Receivable from customers | ₱593,287 | ₱703,846 | Paid in cash on settlement date (Trade date + 3); unimpaired |
| Payable to customers | 130,125 | 38,591 | |
| <i>Buy transactions</i> | 538,591,602 | 442,890,684 | |
| <i>Sell transactions</i> | 35,941,091 | 581,265,810 | |
| Commission income | 1,438,437 | 2,571,392 | |
| Due from related parties | 20,991,441 | 20,137,441 | Due upon demand; non-interest bearing and are unsecured with impairment |
| Allowance for credit losses | (12,713,328) | (12,713,328) | |
| <u>Entities under common control</u> | | | |
| Other assets | 5,818,946 | 5,694,777 | Cash surrender value of the insurance policy (see Note 13) |
| Insurance expense | 1,122 | 1,122 | Payment of insurance premiums |

Terms and conditions of transactions with related parties

Outstanding balances at year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. An impairment assessment is undertaken each financial year through a review of financial position of the related party and the market in which the related party operates.



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 officer positions to constitute key management personnel for purposes of PAS 24.

Short-term employee benefits of key management personnel amounted to ₱1.33 million in 2022 and 2021, respectively. Post-employment benefits and other long-term benefits granted to key management personnel amounted to ₱0.19 million and ₱0.18 million in 2022 and 2021, respectively.

21. Income Taxes

On March 26, 2021, Republic Act No. 11534, Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was approved into law. CREATE provides that regular corporate income tax (RCIT) rate shall be reduced from 30% to 25% for domestic and foreign corporations effective July 1, 2020.

The regulations also provide for MCIT of 1.0% from July 1, 2020 to June 30, 2023, on modified gross income, before reverting back to 2.0% after June 30, 2023 and allows a NOLCO.

Provision for income tax consists of:

| | 2022 | 2021 |
|-----------------|-------------------|-----------|
| Current – MCIT* | ₱49,789 | (₱20,335) |
| Current – RCIT | – | 170,727 |
| Deferred | (194,165) | 34,119 |
| Final | 7,938 | 7,495 |
| | (₱136,438) | ₱192,006 |

**adjustment to current tax expense in 2020 due to changes in enacted tax rate under the CREATE law*

The Company did not recognize deferred tax assets on the following deductible temporary differences since management believes that these will not be realized in the foreseeable future:

| | 2022 | 2021 |
|-----------------------------|--------------------|-------------|
| Allowance for credit losses | ₱25,430,545 | ₱28,995,853 |
| NOLCO | 9,159,479 | 12,550,848 |
| Retirement liability | 2,760,364 | 2,374,548 |
| Excess MCIT | 131,126 | 143,492 |
| Others | 608,886 | 353,923 |
| | ₱38,288,644 | ₱44,616,907 |

As of December 31, 2022 and 2021, the deferred tax liability amounting to ₱0.03 million and ₱0.22 million is related to foreign exchange gains and accrued rent receivable.



Tax regulations allow business or enterprise to carry over NOLCO for taxable years 2020 and 2021 as deduction from its taxable income for the next five consecutive taxable years immediately following the year of such loss subject to certain requirements, before reverting back to three consecutive taxable years. The excess of MCIT over the RCIT may be applied against the Company's income tax liability over a three-year period from the date of inception.

Details of the Company's NOLCO follow:

| Inception Year | Amount | Expired | Balance | Expiry Year |
|----------------|-------------------|-----------|-------------------|-------------|
| 2022 | ₱3,978,647 | ₱- | ₱3,978,647 | 2025 |
| 2020 | 5,180,832 | - | 5,180,832 | 2025 |
| | ₱9,159,479 | ₱- | ₱9,159,479 | |

Details of the excess MCIT over RCIT follow:

| Year Incurred | Amount | Used | Balance | Expiry Year |
|---------------|-----------------|-----------|-----------------|-------------|
| 2022 | ₱49,789 | ₱- | ₱49,789 | 2026 |
| 2020 | 81,337 | - | 81,337 | 2023 |
| | ₱131,126 | ₱- | ₱131,126 | |

The reconciliation between the statutory income tax and the effective income tax in 2022 and 2021 follows:

| | 2022 | 2021 |
|--|-------------------|------------|
| Statutory income tax | (₱688,499) | (₱366,662) |
| Tax effect of: | | |
| Nondeductible expenses | 675,584 | 663,506 |
| Movement in unrecognized deferred tax assets | (86,936) | (21,587) |
| Adjustment on tax expense due to change in enacted rates | - | (51,756) |
| Nontaxable income | (34,602) | (22,126) |
| Interest income subjected to final tax | (1,985) | (9,369) |
| Effective income tax | (₱136,438) | ₱192,006 |

22. Offsetting of Financial Assets and Financial Liabilities

The amendments to PFRS 7 require the Company 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

| 2022 | | | | | | |
|--|---|--|---|--|--------------------------------|--------------------------------|
| Financial assets recognized at end of reporting period by type | Gross carrying amounts (before offsetting) [a] | Gross amounts offset in accordance with the offsetting criteria [b] | Net amount presented in statements of financial condition [a-b] [c] | 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-e] [f] |
| | | | | Financial instruments [d] | Financial collateral [e] | |
| | | | | | | |
| Receivable from customers | ₱22,591,486 | ₱- | ₱22,591,486 | ₱77,756 | ₱15,237,856 | ₱7,275,874 |
| Receivable from clearing house | 2,763,680 | 450,220 | 2,313,460 | 1,909,060 | - | 404,400 |

| 2021 | | | | | | |
|--|---|--|---|--|--------------------------------|--------------------------------|
| Financial assets recognized at end of reporting period by type | Gross carrying amounts (before offsetting) [a] | Gross amounts offset in accordance with the offsetting criteria [b] | Net amount presented in statements of financial condition [a-b] [c] | 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-e] [f] |
| | | | | Financial instruments [d] | Financial collateral [e] | |
| | | | | | | |
| Receivable from customers | ₱25,306,662 | ₱- | ₱25,306,662 | ₱33,702 | ₱12,592,378 | ₱12,680,582 |
| Receivable from clearing house | 19,401,933 | 13,162,213 | 6,239,710 | - | - | 6,239,720 |

Financial Liabilities

| 2022 | | | | | | |
|---|---|--|---|--|--------------------------------|--------------------------------|
| Financial liabilities recognized at end of reporting period by type | Gross carrying amounts (before offsetting) [a] | Gross amounts offset in accordance with the offsetting criteria [b] | Net amount presented in statements of financial condition [a-b] [c] | 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-e] [f] |
| | | | | Financial instruments [d] | Financial collateral [e] | |
| | | | | | | |
| Payable to customers | ₱23,291,542 | ₱- | ₱23,291,542 | ₱77,756 | ₱- | ₱23,213,786 |
| Payable to clearing house | 1,909,060 | - | 1,909,060 | - | - | 1,909,060 |

| 2021 | | | | | | |
|---|---|--|---|--|--------------------------------|--------------------------------|
| Financial liabilities recognized at end of reporting period by type | Gross carrying amounts (before offsetting) [a] | Gross amounts offset in accordance with the offsetting criteria [b] | Net amount presented in statements of financial condition [a-b] [c] | 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-e] [f] |
| | | | | Financial instruments [d] | Financial collateral [e] | |
| | | | | | | |
| Payable to customers | ₱29,063,981 | ₱- | ₱29,063,981 | ₱33,702 | ₱- | ₱29,030,279 |

23. Commitments and Contingent Liabilities

In the normal course of the Company's operations, there are various outstanding commitments and contingent liabilities which are not reflected in the accompanying financial statements. The Company recognizes in its books any losses and liabilities incurred in the course of its operations as soon as these become determinable and quantifiable.

Management believes that, as of December 31, 2022 and 2021, no additional material losses or liabilities are required to be recognized in the accompanying financial statements as a result of the above commitments and transactions.



24. Approval of the Release of the Financial Statements

The accompanying comparative financial statements of the Company were authorized and approved for issue by the BOD on June 9, 2023.

25. Supplementary Information Required Under Revenue Regulations 15-2010

The Company reported and/or paid the following types of taxes in 2022:

Value-Added Tax (VAT)

The Company's sales or receipts are subject to output VAT while its purchases from other VAT-registered individuals or corporations are subject to input VAT. The VAT rate is 12.00%.

a. Net sales or receipts and output VAT

| | Net Sales/ Receipts | Output VAT |
|-------------------------|------------------------|------------|
| VAT Sales | ₱7,299,190 | ₱875,903 |
| Less: Input VAT claimed | — | 875,903 |
| VAT remittances | — | — |
| | ₱7,299,190 | ₱— |

b. Details of the input VAT in 2022 are as follows:

| | |
|--|------------|
| Balance at January 1 | ₱1,252,529 |
| Current year purchases/payments for: | |
| Capital goods | |
| Domestic purchases of services, goods and other adjustments | 256,838 |
| Input tax deferred on capital goods exceeding ₱1.00 million | 95,368 |
| Total | 1,604,736 |
| Less: Input tax exceeding ₱1.00 million deferred for the succeeding period | — |
| Balance available to be applied to Output VAT | 1,604,736 |
| Less: Input VAT claimed as deduction | 875,903 |
| Balance at December 31 | ₱728,833 |

Withholding Taxes

The Company incurred withholding taxes in 2022 as follows:

| | Total remittance | Balance |
|--|------------------|---------|
| Withholding taxes on compensation and benefits | ₱343,329 | ₱22,704 |
| Expanded withholding taxes | 123,127 | 8,484 |
| | ₱466,457 | ₱31,188 |



Outstanding amounts of withholding taxes are included in 'Accounts payable and accrued expenses' account in the statement of financial condition.

Taxes and Licenses

Details of taxes and licenses account in 2022 are as follows:

| | |
|-------------------------------------|------------|
| Local government taxes and licenses | ₱1,409,540 |
| SEC licenses and registration | 42,687 |
| | <hr/> |
| | ₱1,452,227 |

Tax Assessment and Cases

The Company has no pending tax assessments and cases as of December 31, 2022.



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INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Venture Securities, Inc.
8th Floor, STI Holdings Center
6764 Ayala Avenue
Makati City

We have audited the financial statements of Venture Securities, Inc. (the Company) as at December 31, 2022 and for the year then ended, on which we have rendered the attached report dated June 9, 2023.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the above Company has one (1) stockholder owning one hundred (100) or more shares.

SYCIP GORRES VELAYO & CO.



Ray Francis C. Balagtas

Partner

CPA Certificate No. 108795

Tax Identification No. 216-950-288

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

SEC Partner Accreditation No. 108795-SEC (Group A)

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

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

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

BIR Accreditation No. 08-001998-107-2020, November 27, 2020, valid until November 26, 2023

PTR No. 9369775, January 3, 2023, Makati City

June 9, 2023



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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULE

The Stockholders and the Board of Directors
Venture Securities, Inc.
8th Floor, STI Holdings Center
6764 Ayala Avenue
Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Venture Securities, Inc. as at and for the years ended December 31, 2022 and 2021 and have issued our report thereon dated June 9, 2023. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Financial Statements and Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with Securities Regulation Code 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.



Ray Francis C. Balagtas

Partner

CPA Certificate No. 108795

Tax Identification No. 216-950-288

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

SEC Partner Accreditation No. 108795-SEC (Group A)

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

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

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

BIR Accreditation No. 08-001998-107-2020, November 27, 2020, valid until November 26, 2023

PTR No. 9369775, January 3, 2023, Makati City

June 9, 2023



VENTURE SECURITIES, INC.
INDEX TO THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2022

- Schedule I - Statement of changes in liabilities subordinated to claims of general creditors
- Schedule II - Computation of risk-based capital adequacy requirement pursuant to SEC Memorandum Circular No. 16
- Schedule III - Information relating to the possession or control requirements under SRC Rule 49.2 - Annex 49.2-A
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- Schedule VI - Results of monthly securities count conducted pursuant to SRC Rule 52.1.10 as of balance sheet date

SCHEDULE I

**VENTURE 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 as of December 31, 2022 and 2021.

SCHEDULE II

**VENTURE SECURITIES, INC.
COMPUTATION OF RISK-BASED CAPITAL ADEQUACY WORKSHEET
PURSUANT TO SEC MEMORANDUM CIRCULAR NO. 16
DECEMBER 31, 2022**

| | |
|--|---------------------|
| Assets | ₱131,771,548 |
| Liabilities | 30,978,182 |
| Equity as per books | 100,793,366 |
| Adjustments to Equity per books | |
| Add (Deduct): | |
| Allowance for market decline | - |
| Subordinated Liabilities | - |
| Unrealized Gain / (Loss) in proprietary accounts | - |
| Deferred Income Tax | - |
| Revaluation Reserves | - |
| Deposit for Future Stock Subscription (No application with SEC) | - |
| Minority Interest | - |
| Total Adjustments to Equity per books | - |
| Equity Eligible For Net Liquid Capital | 100,793,366 |
| Contingencies and Guarantees | |
| Deduct: Contingent Liability | - |
| Guarantees or indemnities | - |
| Ineligible Assets | |
| a. Trading Right and all Other Intangible Assets (net) | 950,000 |
| b. Intercompany Receivables | 8,278,113 |
| c. Fixed Assets, net of accumulated and excluding those used as collateral | 48,662,396 |
| d. All Other Current Assets | 3,801,319 |
| e. Securities Not Readily Marketable | - |
| f. Negative Exposure (SCCP) | - |
| 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 | 9,136,931 |
| Total ineligible assets | 70,828,759 |
| Net Liquid Capital (NLC) | 29,964,607 |
| Less: | |
| Operational Risk Requirement | 2,042,724 |
| Position Risk Requirement | 1,898,761 |
| Counterparty Risk | 67,768 |
| Large Exposure Risk | - |
| LERR to a single client | - |
| LERR to a single debt | - |
| LERR to a single issuer and group of companies | - |
| Total Risk Capital Requirement (TRCR) | 4,009,253 |
| Net RBCA Margin (NLC-TRCR) | 25,955,352 |
| Liabilities | 30,978,182 |
| Add: Deposit for Future Stock Subscription (No application with SEC) | |
| Less: Exclusions from Aggregate Indebtedness | - |
| Subordinated Liabilities | - |
| Loans secured by securities | - |
| Loans secured by fixed assets | - |
| Others | 28,486 |
| Total adjustments to AI | (28,486) |
| Aggregate Indebtedness | 30,949,696 |
| 5% of Aggregate Indebtedness | 1,547,485 |
| Required Net Liquid Capital (> of 5% of AI or P5M) | 5,000,000 |
| Net Risk-based Capital Excess / (Deficiency) | 24,964,607 |
| Ratio of AI to Net Liquid Capital | 103% |
| RBCA Ratio (NLC / TRCR) | 747% |

SCHEDULE III

**VENTURE 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 49.2-1:

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

SCHEDULE IV

**VENTURE 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. | ₱23,083,661 | |
| 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. | | |
| 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. | | ₱11,406,193 |
| 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. | | 404,400 |
| 13. Others | | |
| Total | ₱23,083,661 | ₱11,810,593 |
| Net Credit (Debit) | ₱11,273,068 | |
| Required Reserve (100% of net credit if making a weekly computation and 105% if monthly) | ₱11,836,721 | |

SCHEDULE V

**VENTURE 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**

We will provide the Company a management letter, covering our comments and recommendations offered as constructive suggestions in support of management's continuing desire to improve internal controls and other financial and administrative practices and procedures.

SCHEDULE VI

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

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

Note: The attached summary is prepared by the Company.

SCHEDULE VI

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

| STOCK CODE | MARKET PRICE AS OF 12/31/22 | | TOTAL | | IN VAULT | | IN TRANSITION OFFICE | | PCD | | IN TRANSIT | |
|------------|-----------------------------|---------------|---------------|---------------|----------|---------------|----------------------|---------------|---------------|---------------|------------|--|
| | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount | |
| 2GO | 7.2500 | 3,000 | 21,750 | - | - | - | - | 3,000 | 21,750 | - | - | |
| AAA | 1.6100 | 1,295,600 | 2,085,916 | - | - | - | - | 1,295,600 | 2,085,916 | - | - | |
| AB | 7.4800 | 56,680 | 423,966 | - | - | - | - | 56,680 | 423,966 | - | - | |
| ABA | 2.0800 | 10,006,942 | 20,814,439 | - | - | - | - | 10,006,942 | 20,814,439 | - | - | |
| ABG | 3.5300 | 28,068 | 99,080 | - | - | - | - | 28,068 | 99,080 | - | - | |
| ABS | 7.3900 | 89,954 | 664,760 | - | - | 450 | 3,326 | 89,504 | 661,435 | - | - | |
| AC | 695.0000 | 4,094 | 2,845,608 | - | - | - | - | 4,094 | 2,845,330 | - | - | |
| ACEN | 7.6200 | 2,201,098 | 16,772,367 | 20,000 | 152,400 | - | - | 2,187,098 | 16,665,687 | (6,000) | (45,720) | |
| ACR | 0.7800 | 125,000 | 97,500 | - | - | - | - | 125,000 | 97,500 | - | - | |
| AEV | 57.7000 | 109,572 | 6,322,304 | - | - | - | - | 109,572 | 6,322,304 | - | - | |
| AGI | 11.9000 | 227,300 | 2,704,870 | - | - | - | - | 227,300 | 2,704,870 | - | - | |
| ALCO | 0.5600 | 351,774 | 196,993 | - | - | - | - | 351,774 | 196,993 | - | - | |
| ALHI | 5.1700 | 6,000 | 31,020 | - | - | - | - | 6,000 | 31,020 | - | - | |
| ALI | 30.8000 | 555,831 | 17,119,595 | - | - | - | - | 555,831 | 17,119,595 | - | - | |
| ALLDY | 0.2250 | 6,908,000 | 1,554,300 | - | - | - | - | 6,908,000 | 1,554,300 | - | - | |
| ALLHC | 2.9700 | 70,600 | 209,682 | - | - | - | - | 70,600 | 209,682 | - | - | |
| ANI | 7.0900 | 840 | 5,956 | - | - | - | - | 840 | 5,956 | - | - | |
| ANS | 9.0400 | 226,223 | 2,045,056 | - | - | - | - | 226,223 | 2,045,056 | - | - | |
| AP | 34.0500 | 2,856,100 | 97,250,205 | - | - | - | - | 2,856,100 | 97,250,205 | - | - | |
| APB2R | 470.0000 | 52,000 | 24,440,000 | - | - | - | - | 52,000 | 24,440,000 | - | - | |
| APC | 0.2060 | 3,422,000 | 704,932 | - | - | - | - | 3,422,000 | 704,932 | - | - | |
| APL | 0.0330 | 1,121,838,511 | 37,020,671 | - | - | - | - | 1,121,838,511 | 37,020,671 | - | - | |
| APO | 0.6200 | 61,093 | 37,878 | - | - | - | - | 61,093 | 37,878 | - | - | |
| APX | 1.8500 | 74,295 | 137,446 | - | - | - | - | 74,295 | 137,446 | - | - | |
| APVI | 12.5000 | 1,048 | 13,100 | - | - | - | - | 1,048 | 13,100 | - | - | |
| AR | 0.0046 | 81,500,000 | 374,900 | - | - | - | - | 81,500,000 | 374,900 | - | - | |
| ARA | 1.0200 | 44,254 | 45,139 | - | - | - | - | 44,254 | 45,139 | - | - | |
| AREIT | 35.4000 | 135,500 | 4,796,700 | - | - | - | - | 135,500 | 4,796,700 | - | - | |
| ASLAG | 1.6600 | 13,500 | 22,410 | - | - | - | - | 13,500 | 22,410 | - | - | |
| AT | 3.6400 | 58,990 | 214,724 | - | - | - | - | 58,990 | 214,724 | - | - | |
| ATI | 13.7600 | 90,870,748 | 1,250,381,492 | - | - | - | - | 90,870,748 | 1,250,381,492 | - | - | |
| ATN | 0.3550 | 330,000 | 117,150 | - | - | - | - | 250,000 | 88,750 | - | - | |
| ATNB | 0.3500 | - | - | - | - | - | - | 80,000 | 28,000 | - | - | |
| AUB | 40.0500 | 36,340 | 1,455,417 | - | - | - | - | 36,340 | 1,455,417 | - | - | |
| AXLM | 2.5200 | 184,000 | 463,680 | - | - | - | - | 184,000 | 463,680 | - | - | |
| BALAI | 0.5800 | 135,000 | 78,300 | - | - | - | - | 185,000 | 107,300 | (50,000) | (29,000) | |
| BC | 4.1000 | 1,219,300 | 4,999,130 | - | - | - | - | 1,199,300 | 4,917,130 | - | - | |
| BCB | 4.1900 | 22,916 | 96,018 | - | - | - | - | 42,916 | 179,818 | - | - | |
| BCOR | 7.9200 | 15,000 | 118,800 | - | - | - | - | 15,000 | 118,800 | - | - | |
| BDO | 105.7000 | 76,574 | 8,093,872 | - | - | 12,321 | 1,302,330 | 63,853 | 6,749,262 | 400 | 42,280 | |
| BEL | 1.2200 | 174,730 | 213,171 | - | - | - | - | 174,730 | 213,171 | - | - | |
| BF | - | 469 | - | - | - | - | - | 469 | - | - | - | |
| BFC | - | 16 | - | - | - | - | - | 16 | - | - | - | |
| BHI | 0.0510 | 1,140,000 | 58,140 | - | - | - | - | 1,140,000 | 58,140 | - | - | |
| BKR | 1.5000 | 500 | 750 | - | - | - | - | 500 | 750 | - | - | |
| BLOOM | 7.6500 | 144,880 | 1,108,332 | - | - | - | - | 144,880 | 1,108,332 | - | - | |
| BNCOM | 7.8900 | 70,700 | 557,823 | - | - | - | - | 60,700 | 478,923 | 10,000 | 78,900 | |
| BPI | 102.0000 | 668,349 | 68,171,598 | - | - | - | - | 668,349 | 68,171,598 | - | - | |
| BRN | 0.7300 | 846,369 | 617,849 | - | - | - | - | 846,369 | 617,849 | - | - | |
| BSC | 0.2800 | 615,526 | 172,347 | - | - | - | - | 615,526 | 172,347 | - | - | |
| C | 1.2000 | 2,736,400 | 3,283,680 | - | - | - | - | 2,736,400 | 3,283,680 | - | - | |
| CA | 30.2000 | 4,780 | 144,356 | - | - | - | - | 4,780 | 144,356 | - | - | |
| CAB | 32.3000 | 1,000 | 32,300 | - | - | - | - | 1,000 | 32,300 | - | - | |
| CAL | 2.0400 | 254,352 | 518,878 | - | - | - | - | 254,352 | 518,878 | - | - | |
| CAT | 8.9500 | 14,900 | 133,355 | - | - | - | - | 14,900 | 133,355 | - | - | |
| CBC | - | 8,800 | - | - | - | - | - | 8,800 | - | - | - | |
| CDC | 0.6800 | 4,996 | 3,397 | - | - | - | - | 4,996 | 3,397 | - | - | |
| CEB | 38.3000 | 19,510 | 747,233 | - | - | - | - | 19,510 | 747,233 | - | - | |
| CEBCP | 38.5000 | 5,888 | 226,688 | - | - | - | - | 5,888 | 226,688 | - | - | |
| CEI | 0.0790 | 1,650,000 | 130,350 | - | - | - | - | 1,650,000 | 130,350 | - | - | |
| CEU | 6.5000 | 3,000 | 19,500 | - | - | - | - | 3,000 | 19,500 | - | - | |

| | | | | | | | | | | | |
|-------|------------|------------|-------------|------------|-----------|-----|---|------------|-------------|----------|----------|
| CHI | 6.1200 | 111,837 | 684,442 | - | - | - | - | 111,837 | 684,442 | - | - |
| CHIB | 27.4500 | 1,787,237 | 49,059,656 | - | - | - | - | 1,787,237 | 49,059,656 | - | - |
| CHP | 0.6100 | 455,538 | 277,878 | - | - | - | - | 455,538 | 277,878 | - | - |
| CLI | 2.8000 | 2,344,622 | 6,564,942 | - | - | - | - | 2,344,622 | 6,564,942 | - | - |
| CNPF | 25.8000 | 54,100 | 1,395,780 | - | - | - | - | 54,100 | 1,395,780 | - | - |
| CNVG | 15.8800 | 12,600 | 200,088 | - | - | - | - | 12,600 | 200,088 | - | - |
| COAL | 0.2000 | 689,000 | 137,800 | - | - | - | - | 689,000 | 137,800 | - | - |
| COSCO | 4.6700 | 322,400 | 1,505,608 | - | - | - | - | 322,400 | 1,505,608 | - | - |
| CPG | 0.3850 | 4,690,087 | 1,805,683 | - | - | - | - | 4,690,087 | 1,805,683 | - | - |
| CREIT | 2.2900 | 2,405,000 | 5,507,450 | - | - | - | - | 2,405,000 | 5,507,450 | - | - |
| CROWN | 1.5500 | 40,000 | 62,000 | - | - | - | - | 40,000 | 62,000 | - | - |
| CTS | 0.9600 | 323,000 | 310,080 | - | - | - | - | 323,000 | 310,080 | - | - |
| CYBR | 0.3300 | 470,200 | 155,166 | - | - | - | - | 470,200 | 155,166 | - | - |
| DD | 6.7200 | 454,770 | 3,056,054 | - | - | - | - | 454,770 | 3,056,054 | - | - |
| DDMPR | 1.2900 | 2,749,000 | 3,546,210 | - | - | - | - | 2,769,000 | 3,572,010 | (20,000) | (25,800) |
| DELM | 14.0000 | 49 | 686 | - | - | - | - | 49 | 686 | - | - |
| DFNN | 3.5900 | 20,795,447 | 74,655,655 | - | - | - | - | 20,795,447 | 74,655,655 | - | - |
| DHI | - | 16,445 | - | - | - | - | - | 16,445 | - | - | - |
| DITO | 2.7900 | 554,599 | 1,547,331 | - | - | - | - | 554,599 | 1,547,331 | - | - |
| DIZ | 4.0000 | 20,204 | 80,816 | - | - | - | - | 20,204 | 80,816 | - | - |
| DMC | 12.0000 | 1,107,150 | 13,285,800 | - | - | - | - | 1,107,150 | 13,285,800 | - | - |
| DMW | 6.7000 | 5,000 | 33,500 | - | - | - | - | 5,000 | 33,500 | - | - |
| DNA | 2.8600 | 256,340 | 733,132 | - | - | - | - | 256,340 | 733,132 | - | - |
| DNL | 7.9000 | 277,500 | 2,192,250 | - | - | - | - | 277,500 | 2,192,250 | - | - |
| ECP | 3.2900 | 412 | 1,355 | - | - | - | - | 412 | 1,355 | - | - |
| EEI | 2.8000 | 259,662 | 727,054 | - | - | - | - | 259,662 | 727,054 | - | - |
| EG | 0.0094 | 1,700,000 | 15,980 | - | - | - | - | 1,700,000 | 15,980 | - | - |
| EIBA | - | 55,866,502 | - | - | - | - | - | 55,866,502 | - | - | - |
| ELI | 0.1880 | 5,085,487 | 956,072 | - | - | - | - | 5,085,487 | 956,072 | - | - |
| EMI | 20.6000 | 5,000 | 103,000 | - | - | - | - | 5,000 | 103,000 | - | - |
| ENEX | 14.0400 | 50,232 | 705,257 | - | - | - | - | 50,232 | 705,257 | - | - |
| ETON | - | 30,000 | - | 30,000 | - | - | - | - | - | - | - |
| EURO | 0.8700 | 3,000 | 2,610 | - | - | - | - | 3,000 | 2,610 | - | - |
| EVER | 0.2550 | 113,000 | 28,815 | - | - | - | - | 113,000 | 28,815 | - | - |
| EW | 6.6700 | 44,450 | 296,482 | - | - | - | - | 44,450 | 296,482 | - | - |
| FB | 38.7000 | 10,750 | 416,025 | - | - | - | - | 10,750 | 416,025 | - | - |
| FCG | 0.6300 | 185,000 | 116,550 | - | - | - | - | 185,000 | 116,550 | - | - |
| FDC | 6.4200 | 445,184 | 2,858,081 | - | - | - | - | 445,184 | 2,858,081 | - | - |
| FERRO | 2.0400 | 21,000 | 42,840 | - | - | - | - | 21,000 | 42,840 | - | - |
| FFI | 3.7100 | 16,644 | 61,749 | - | 150 | 557 | - | 16,494 | 61,193 | - | - |
| FJP | 2.1000 | 825,100 | 1,732,710 | - | - | - | - | 825,100 | 1,732,710 | - | - |
| FILRT | 5.5000 | 2,294,800 | 12,621,400 | - | - | - | - | 2,294,800 | 12,621,400 | - | - |
| FLI | 0.9000 | 6,322,273 | 5,690,046 | - | - | - | - | 6,322,273 | 5,690,046 | - | - |
| FMETF | 101.0000 | 15,626 | 1,578,226 | - | - | - | - | 15,626 | 1,578,226 | - | - |
| FMIC | 80.0000 | 90 | 7,200 | - | - | - | - | 90 | 7,200 | - | - |
| FNI | 2.5100 | 180,293 | 452,535 | - | - | - | - | 180,293 | 452,535 | - | - |
| FOOD | 0.5500 | 17,247 | 9,486 | - | - | - | - | 17,247 | 9,486 | - | - |
| FPH | 60.5500 | 41,151 | 2,491,693 | - | - | - | - | 41,151 | 2,491,693 | - | - |
| FPI | 0.2070 | 26,512,240 | 5,488,034 | 24,582,640 | 5,088,606 | - | - | 1,929,600 | 399,427 | - | - |
| FRUIT | 1.1200 | 385,000 | 431,200 | - | - | - | - | 385,000 | 431,200 | - | - |
| GEO | 0.1740 | 1,424,217 | 247,814 | - | - | - | - | 1,424,217 | 247,814 | - | - |
| GERI | 0.9300 | 292,575 | 272,095 | - | - | - | - | 292,575 | 272,095 | - | - |
| GLO | 2,180.0000 | 5,600 | 12,208,000 | - | - | - | - | 5,600 | 12,208,000 | - | - |
| GMA7 | 11.2200 | 1,794,400 | 20,133,168 | - | - | - | - | 1,795,400 | 20,144,388 | (1,000) | (11,220) |
| GMAP | 10.6000 | 657,000 | 6,964,200 | - | - | - | - | 657,000 | 6,964,200 | - | - |
| GO | - | 22,039 | - | - | - | - | - | 22,039 | - | - | - |
| GOB | - | 76,759 | - | - | - | - | - | 76,759 | - | - | - |
| GPH | 8.5600 | 72 | 616 | - | - | - | - | 72 | 616 | - | - |
| GREEN | 1.4600 | 1,685 | 2,460 | - | - | - | - | 1,685 | 2,460 | - | - |
| GSMI | 105.0000 | 16,000 | 1,680,000 | - | - | - | - | 16,000 | 1,680,000 | - | - |
| GTCAP | 435.0000 | 5,150 | 2,240,250 | - | - | - | - | 5,150 | 2,240,250 | - | - |
| GTPPA | 963.0000 | 1,000 | 963,000 | - | - | - | - | 1,000 | 963,000 | - | - |
| GTPPB | 950.0000 | 3,000 | 2,850,000 | - | - | - | - | 3,000 | 2,850,000 | - | - |
| HI | 3.5500 | 900 | 3,195 | - | - | - | - | 900 | 3,195 | - | - |
| HLCM | 3.9000 | 81,546 | 318,029 | - | - | - | - | 81,546 | 318,029 | - | - |
| HOME | 1.6500 | 225,000 | 371,250 | - | - | - | - | 225,000 | 371,250 | - | - |
| HTI | 1.0800 | 852,000 | 920,160 | - | - | - | - | 852,000 | 920,160 | - | - |
| ICT | 200.0000 | 16,274 | 3,254,800 | - | - | - | - | 16,274 | 3,254,800 | - | - |
| IDC | 0.8000 | 13,395 | 10,716 | - | - | - | - | 13,395 | 10,716 | - | - |
| IMI | 4.8700 | 20,328 | 98,997 | - | - | - | - | 20,328 | 98,997 | - | - |
| IMP | 1.0700 | 37,200 | 39,804 | - | - | - | - | 37,200 | 39,804 | - | - |
| INFRA | 0.9200 | 832,767 | 766,146 | - | - | - | - | 832,767 | 766,146 | - | - |
| ION | 0.5600 | 238,300 | 133,448 | - | - | - | - | 238,300 | 133,448 | - | - |
| IPM | 6.7000 | 61,000 | 408,700 | - | - | - | - | 61,000 | 408,700 | - | - |
| IPO | 5.9500 | 60,137 | 357,815 | - | - | - | - | 60,137 | 357,815 | - | - |
| IS | 0.1440 | 4,418,000 | 636,192 | - | - | - | - | 4,418,000 | 636,192 | - | - |
| JAS | 1.1900 | 2,000 | 2,380 | - | - | - | - | 2,000 | 2,380 | - | - |
| JFC | 230.0000 | 870,243 | 200,155,890 | - | - | - | - | 870,243 | 200,155,890 | - | - |
| JFCPA | 925.0000 | 300 | 277,500 | - | - | - | - | 300 | 277,500 | - | - |
| JFCPB | 916.5000 | 70 | 64,155 | - | - | - | - | 70 | 64,155 | - | - |
| JGS | 50.3000 | 76,350 | 3,840,405 | - | - | - | - | 76,350 | 3,840,405 | - | - |
| KEEPR | 1.2700 | 3,660,983 | 4,649,448 | - | - | - | - | 3,660,983 | 4,649,448 | - | - |

| | | | | | | | | | | |
|-------|----------|---------------|---------------|-----------|--------|--------|---------------|---------------|-----------|-----------|
| KEP | 3.9700 | 17,318 | 68,752 | - | - | - | 17,318 | 68,752 | - | - |
| KPH | 4.7100 | 1,810 | 8,525 | - | - | - | 1,810 | 8,525 | - | - |
| KPHB | 4.3300 | 160 | 693 | - | - | - | 160 | 693 | - | - |
| KPPI | 1.5200 | 300 | 456 | - | - | - | 300 | 456 | - | - |
| LBC | 16.5000 | 3,900 | 64,350 | - | - | - | 3,900 | 64,350 | - | - |
| LC | 0.1090 | 10,881,321 | 1,186,064 | - | - | - | 10,881,321 | 1,186,064 | - | - |
| LCB | 0.1070 | 3,744,249 | 400,635 | - | - | - | 3,744,249 | 400,635 | - | - |
| LMG | 3.4800 | 627,000 | 2,181,960 | - | - | - | 627,000 | 2,181,960 | - | - |
| LODE | 0.5500 | 20,000 | 11,000 | - | - | - | 20,000 | 11,000 | - | - |
| LOTO | 1.6500 | 476,250 | 785,813 | - | - | - | 476,250 | 785,813 | - | - |
| LPC | 0.1300 | 41,400 | 5,382 | - | - | - | 41,400 | 5,382 | - | - |
| LR | 2.4100 | 419,362,938 | 1,010,664,681 | 15 | 36 | - | 419,362,923 | 1,010,664,644 | - | - |
| LSC | 0.5800 | 8,500 | 4,930 | - | - | - | 8,500 | 4,930 | - | - |
| LTG | 9.2000 | 146,330 | 1,346,236 | - | - | - | 146,330 | 1,346,236 | - | - |
| MA | 0.0096 | 1,093,735,397 | 10,499,860 | - | - | - | 1,093,135,397 | 10,494,100 | - | - |
| MAB | 0.0095 | 170,324,962 | 1,618,087 | - | - | - | 170,924,962 | 1,623,787 | - | - |
| MAC | 4.9000 | 23,220 | 113,778 | - | - | - | 23,220 | 113,778 | - | - |
| MACAY | 5.0100 | 17,880 | 89,579 | - | - | - | 17,880 | 89,579 | - | - |
| MAH | 0.6600 | 25,294 | 16,694 | - | - | - | 25,294 | 16,694 | - | - |
| MAHB | 0.6400 | 10,100 | 6,464 | - | - | - | 10,100 | 6,464 | - | - |
| MARC | 1.2000 | 83,950 | 100,740 | - | - | - | 83,950 | 100,740 | - | - |
| MAXS | 4.8800 | 40,100 | 195,688 | - | - | - | 40,100 | 195,688 | - | - |
| MB | 0.2750 | 1,060,265 | 291,573 | - | - | - | 1,060,265 | 291,573 | - | - |
| MBT | 54.0000 | 147,390 | 7,959,060 | - | - | - | 147,390 | 7,959,060 | - | - |
| MED | 0.1630 | 1,810,000 | 295,030 | - | - | - | 1,810,000 | 295,030 | - | - |
| MEDIC | 0.7000 | 666,000 | 466,200 | - | - | - | 466,000 | 326,200 | 200,000 | 140,000 |
| MEG | 2.0000 | 2,659,316 | 5,318,632 | - | - | - | 2,659,316 | 5,318,632 | - | - |
| MER | 298.8000 | 422,846 | 126,346,385 | - | 96 | 28,685 | 422,750 | 126,317,700 | - | - |
| MFC | 920.0000 | 218 | 200,560 | - | - | - | 218 | 200,560 | - | - |
| MG | 0.1130 | 228,000 | 25,764 | - | - | - | 228,000 | 25,764 | - | - |
| MGH | - | 215,000 | - | 2,000 | - | - | 213,000 | - | - | - |
| MHC | 0.2260 | 21,213 | 4,794 | - | - | - | 21,213 | 4,794 | - | - |
| MJC | 1.1300 | 1,275 | 1,441 | - | - | - | 1,275 | 1,441 | - | - |
| MJIC | 1.1000 | 6,600 | 7,260 | - | - | - | 6,600 | 7,260 | - | - |
| MM | 1.2100 | 644,500 | 779,845 | - | - | - | 644,500 | 779,845 | - | - |
| MON | - | 198,280 | - | - | - | - | 198,280 | - | - | - |
| MONDE | 11.0800 | 26,200 | 290,296 | - | - | - | 26,200 | 290,296 | - | - |
| MPI | 3.4200 | 427,586 | 1,462,344 | - | - | - | 427,586 | 1,462,344 | - | - |
| MRC | 0.1950 | 636,000 | 124,020 | - | - | - | 636,000 | 124,020 | - | - |
| MREIT | 14.4800 | 788,300 | 11,414,584 | - | - | - | 788,300 | 11,414,584 | - | - |
| MRSGI | 1.4100 | 43,000 | 60,630 | - | - | - | 45,000 | 63,450 | (2,000) | (2,820) |
| MVC | 4.9100 | 85,480 | 419,707 | - | - | - | 85,480 | 419,707 | - | - |
| MWC | 19.1000 | 317,800 | 6,069,980 | - | - | - | 317,800 | 6,069,980 | - | - |
| MWIDE | 3.1100 | 110,406 | 343,363 | - | - | - | 110,406 | 343,363 | - | - |
| NI | 0.7900 | 415,040 | 327,882 | - | - | - | 415,040 | 327,882 | - | - |
| NIKL | 5.8400 | 1,170,533 | 6,835,913 | - | - | - | 1,171,533 | 6,841,753 | (1,000) | (5,840) |
| NN | - | 60 | - | - | - | - | 60 | - | - | - |
| NOW | 2.2400 | 197,530,811 | 442,469,017 | - | - | - | 197,737,811 | 442,932,697 | (207,000) | (463,680) |
| NRCP | 0.5800 | 516,000 | 299,280 | - | - | - | 516,000 | 299,280 | - | - |
| NXGEN | - | 131,750 | - | - | - | - | 131,750 | - | - | - |
| OM | 0.3300 | 334,954 | 110,535 | - | - | - | 334,954 | 110,535 | - | - |
| OPM | 0.0100 | 13,838,167 | 138,382 | - | - | - | 13,838,167 | 138,382 | - | - |
| OPMB | 0.0110 | 193,333,481 | 2,126,668 | 3,000,000 | 33,000 | - | 190,333,481 | 2,093,668 | - | - |
| ORE | 0.7200 | 4,243,100 | 3,055,032 | - | - | - | 4,243,100 | 3,055,032 | - | - |
| OV | 0.0098 | 96,032,237 | 941,116 | 1,573,547 | 15,421 | - | 94,458,690 | 925,695 | - | - |
| PA | 1.9000 | 19,200 | 36,480 | - | - | - | 19,200 | 36,480 | - | - |
| PAL | 5.9000 | 6,382 | 37,654 | - | - | - | 6,382 | 37,654 | - | - |
| PAX | 1.5100 | 213,000 | 321,630 | - | - | - | 213,000 | 321,630 | - | - |
| PBB | 10.2000 | 39,598 | 403,900 | - | - | - | 39,598 | 403,900 | - | - |
| PCOR | 2.4000 | 2,135,350 | 5,124,840 | - | - | - | 2,135,350 | 5,124,840 | - | - |
| PCP | - | 552,000 | - | - | - | - | 552,000 | - | - | - |
| PERC | 4.8000 | 144,883 | 695,438 | - | - | - | 144,883 | 695,438 | - | - |
| PGOLD | 34.9000 | 8,800 | 307,120 | - | - | - | 8,800 | 307,120 | - | - |
| PHA | 0.2900 | 1,001,000 | 290,290 | - | - | - | 1,001,000 | 290,290 | - | - |
| PHC | - | 42,000 | - | - | - | - | 42,000 | - | - | - |
| PHES | 0.3700 | 1,200,000 | 444,000 | - | - | - | 1,200,000 | 444,000 | - | - |
| PHN | 19.0600 | 1,193 | 22,739 | - | - | - | 1,193 | 22,739 | - | - |
| PHR | 0.8200 | 848,000 | 695,360 | - | - | - | 848,000 | 695,360 | - | - |
| PIZZA | 7.6500 | 22,300 | 170,595 | - | - | - | 22,300 | 170,595 | - | - |
| PLC | 0.4750 | 24,864,000 | 11,810,400 | 20,000 | 9,500 | - | 24,844,000 | 11,800,900 | - | - |
| PMPC | 5.3700 | 300 | 1,611 | - | - | - | 300 | 1,611 | - | - |
| PMT | - | 20,000 | - | - | - | - | 20,000 | - | - | - |
| PNB | 19.0000 | 114,032 | 2,166,608 | - | - | - | 114,032 | 2,166,608 | - | - |
| PNC | - | 8,724 | - | - | - | - | 8,724 | - | - | - |
| PNX | 8.6000 | 1,085 | 9,331 | - | - | - | 1,085 | 9,331 | - | - |
| PORT | 7.3000 | 2,490 | 18,177 | - | - | - | 2,490 | 18,177 | - | - |
| PPC | 5.0500 | 17,600 | 88,880 | - | - | - | 17,600 | 88,880 | - | - |
| PPI | - | 19,002 | - | - | - | - | 19,002 | - | - | - |
| PRC | 7.8900 | 88,985,640 | 702,096,700 | - | - | - | 88,985,640 | 702,096,700 | - | - |
| PREIT | 1.6000 | 120,000 | 192,000 | - | - | - | 120,000 | 192,000 | - | - |
| PRIM | 2.0800 | 55,944 | 116,364 | - | - | - | 55,944 | 116,364 | - | - |
| PRMX | 2.1100 | 3,132,100 | 6,608,731 | - | - | - | 3,132,100 | 6,608,731 | - | - |

| | | | | | | | | | | | |
|-------|------------|---------------|----------------|------------|------------|--------|------------|---------------|----------------|----------|------------|
| PSB | 56.5000 | 12,121 | 684,837 | - | - | - | - | 12,121 | 684,837 | - | - |
| PSE | 158.0000 | 335,661 | 53,034,438 | - | - | - | - | 335,661 | 53,034,438 | - | - |
| PTT | - | 1,558,657 | - | 338,332 | - | - | - | 1,220,325 | - | - | - |
| PX | 3.0400 | 610,820 | 1,856,893 | - | - | - | - | 610,820 | 1,856,893 | - | - |
| PXP | 7.6700 | 107,770 | 826,596 | - | - | - | - | 107,770 | 826,596 | - | - |
| RCB | 23.7000 | 29,538 | 700,051 | - | - | - | - | 29,538 | 700,051 | - | - |
| RCI | 0.4650 | 1,002 | 466 | - | - | - | - | 1,002 | 466 | - | - |
| RCR | 5.8500 | 5,091,200 | 29,783,520 | - | - | - | - | 5,091,200 | 29,783,520 | - | - |
| REG | 3.1000 | 20,468 | 63,451 | - | - | - | - | 20,468 | 63,451 | - | - |
| RFM | 3.6000 | 347,242 | 1,250,071 | - | - | - | - | 347,242 | 1,250,071 | - | - |
| RLC | 14.9600 | 18,915 | 282,968 | - | - | - | - | 18,915 | 282,968 | - | - |
| RLT | 0.1860 | 136,778 | 25,441 | 13,252 | 2,465 | - | - | 123,526 | 22,976 | - | - |
| ROCK | 1.4000 | 1,549,659 | 2,169,523 | - | - | - | - | 1,549,659 | 2,169,523 | - | - |
| ROX | 0.7100 | 12,680 | 9,003 | - | - | - | - | 12,680 | 9,003 | - | - |
| RPC | - | 330,621 | - | - | - | - | - | 350,047 | - | (19,426) | - |
| RRHI | 53.8500 | 590 | 31,772 | - | - | - | - | 590 | 31,772 | - | - |
| SBS | 3.9000 | 37,612 | 146,687 | - | - | - | - | 37,612 | 146,687 | - | - |
| SCC | 34.5000 | 353,560 | 12,197,820 | - | - | - | - | 353,560 | 12,197,820 | - | - |
| SECB | 87.0000 | 22,546 | 1,961,502 | - | - | - | - | 22,546 | 1,961,502 | - | - |
| SFI | 0.0750 | 168,598 | 12,645 | - | - | - | - | 168,598 | 12,645 | - | - |
| SFIP | 1.5000 | 15,334 | 23,001 | - | - | - | - | 15,334 | 23,001 | - | - |
| SGI | 0.8700 | 1,163,600 | 1,012,332 | - | - | - | - | 1,163,600 | 1,012,332 | - | - |
| SGP | 11.1000 | 671,300 | 7,451,430 | - | - | - | - | 671,300 | 7,451,430 | - | - |
| SHLPH | 16.9000 | 125,700 | 2,124,330 | - | - | - | - | 125,700 | 2,124,330 | - | - |
| SHNG | 2.5400 | 224,103 | 569,222 | - | - | - | - | 224,103 | 569,222 | - | - |
| SLF | 2,600.0000 | 351 | 912,600 | - | - | - | - | 351 | 912,600 | - | - |
| SLI | 3.2500 | 23,200 | 75,400 | - | - | - | - | 23,200 | 75,400 | - | - |
| SM | 900.0000 | 2,203 | 1,982,700 | - | - | - | - | 2,203 | 1,982,700 | - | - |
| SMC | 92.9500 | 184,020 | 17,104,659 | 57 | 5,298 | - | - | 183,963 | 17,099,361 | - | - |
| SMC2J | 72.8500 | 72,000 | 5,245,200 | - | - | - | - | 72,000 | 5,245,200 | - | - |
| SMP | - | 10 | - | - | - | - | - | 10 | - | - | - |
| SMPH | 35.5000 | 762,575 | 27,071,413 | - | - | - | - | 762,575 | 27,071,413 | - | - |
| SOC | 0.4600 | 1,392,000 | 640,320 | 170,000 | 78,200 | - | - | 1,222,000 | 562,120 | - | - |
| SPC | 9.4600 | 2,395,500 | 22,661,430 | - | - | - | - | 2,385,500 | 22,566,830 | 10,000 | 94,600 |
| SPM | 1.6800 | 242,957 | 408,168 | - | - | - | - | 242,957 | 408,168 | - | - |
| SPNEC | 1.2000 | 624,624 | 749,549 | - | - | - | - | 624,624 | 749,549 | - | - |
| SSI | 1.5600 | 240,100 | 374,556 | - | - | - | - | 240,100 | 374,556 | - | - |
| SSP | 1.4900 | 254,000 | 378,460 | - | - | - | - | 254,000 | 378,460 | - | - |
| STI | 0.3450 | 1,832,635,785 | 632,259,346 | - | - | - | - | 1,832,635,785 | 632,259,346 | - | - |
| STN | - | 163,582 | - | - | - | - | - | 163,582 | - | - | - |
| STR | 2.8400 | 6,250 | 17,750 | - | - | - | - | 6,250 | 17,750 | - | - |
| SUN | 0.9400 | 672,200 | 631,868 | - | - | - | - | 672,200 | 631,868 | - | - |
| SWM | - | 3,800 | - | - | - | - | - | 3,800 | - | - | - |
| T | 0.5500 | 689,000 | 378,950 | - | - | - | - | 689,000 | 378,950 | - | - |
| TBGI | 0.2200 | 5,000 | 1,100 | - | - | - | - | 5,000 | 1,100 | - | - |
| TECH | 2.7100 | 142,873 | 387,186 | - | - | - | - | 142,873 | 387,186 | - | - |
| TEL | 1,317.0000 | 15,483 | 20,391,111 | - | - | - | - | 15,503 | 20,417,451 | (20) | (26,340) |
| TELA | - | 100 | - | 100 | - | - | - | - | - | - | - |
| TELT | - | 180 | - | 180 | - | - | - | - | - | - | - |
| TFHI | 95.0000 | 14,044 | 1,334,180 | - | - | - | - | 14,044 | 1,334,180 | - | - |
| TUGS | 0.9700 | 15,000 | 14,550 | - | - | - | - | 15,000 | 14,550 | - | - |
| UBP | 86.1000 | 23,371 | 2,012,243 | - | - | - | - | 23,371 | 2,012,243 | - | - |
| UNI | 0.2460 | 2,621,250 | 644,828 | 30,000 | 7,380 | - | - | 2,591,250 | 637,448 | - | - |
| UP | - | 2,355,000 | - | - | - | - | - | 2,355,000 | - | - | - |
| UPM | 0.0054 | 21,595,300 | 116,615 | - | - | - | - | 21,595,300 | 116,615 | - | - |
| URC | 136.0000 | 5,635 | 766,360 | - | - | - | - | 5,635 | 766,360 | - | - |
| UW | - | 345,500 | - | 1,000 | - | - | - | 344,500 | - | - | - |
| V | 0.8300 | 91,750 | 76,153 | - | - | - | - | 91,750 | 76,153 | - | - |
| VITA | 0.6000 | 212,410 | 127,446 | - | - | - | - | 212,410 | 127,446 | - | - |
| VLL | 1.6500 | 110,845 | 182,894 | - | - | - | - | 110,845 | 182,894 | - | - |
| VMC | 2.5900 | 117,564 | 304,491 | - | - | - | - | 117,564 | 304,491 | - | - |
| VREIT | 1.6500 | 1,107,000 | 1,826,550 | - | - | - | - | 1,107,000 | 1,826,550 | - | - |
| VUL | 0.8000 | 99,024 | 79,219 | - | - | - | - | 99,024 | 79,219 | - | - |
| VVT | 12.8400 | 20,226 | 259,702 | - | - | - | - | 20,226 | 259,702 | - | - |
| WEB | 2.6000 | 64,840 | 168,584 | - | - | - | - | 64,840 | 168,584 | - | - |
| WHI | - | 2,421 | - | - | - | - | - | 2,421 | - | - | - |
| WHIB | - | 1,017 | - | - | - | - | - | 1,017 | - | - | - |
| WIN | 0.2300 | 102,000 | 23,460 | - | - | - | - | 102,000 | 23,460 | - | - |
| WLCON | 29.5000 | 36,100 | 1,064,950 | - | - | - | - | 36,100 | 1,064,950 | - | - |
| WPI | 0.4600 | 216,900 | 99,774 | - | - | - | - | 216,900 | 99,774 | - | - |
| X | 0.2650 | 111,600 | 29,574 | - | - | - | - | 111,600 | 29,574 | - | - |
| ZHI | 0.1270 | 130,000 | 16,510 | - | - | - | - | 130,000 | 16,510 | - | - |
| Total | | 5,713,818,943 | ₱5,284,772,262 | 29,781,123 | ₱5,392,306 | 13,017 | ₱1,334,897 | 5,684,110,849 | ₱5,278,300,760 | (86,046) | (₱254,640) |

VENTURE SECURITIES, INC.
SCHEDULE SHOWING FINANCIAL SOUNDNESS INDICATORS IN TWO COMPARATIVE
PERIODS UNDER SRC RULE 68, AS AMENDED
AS OF DECEMBER 31, 2022 and 2021

| Ratio | Formula (peso amounts in millions) | 2022 | 2021 |
|---------------------------------------|---------------------------------------|----------------|-----------------|
| Profitability ratios: | | | |
| Return on asset ratio | Net income/Average total assets | -1.90% | -1.00% |
| | Net loss (2.62) | | |
| | Divided by: Average total assets | | |
| | 2022 133.76 | | |
| | 2021 141.63 137.70 | | |
| | Return on asset -1.90% | | |
| Return on equity ratio | Net income/Average total equity | -2.56% | -1.59% |
| | Net loss (2.62) | | |
| | Divided by: Average total equity | | |
| | 2022 100.79 | | |
| | 2021 103.80 102.30 | | |
| | Return on asset -2.56% | | |
| Net profit margin | Net income/Net revenue | | |
| | Net loss (2.62) | -61.50% | -397.89% |
| | Divided by: Net revenue 4.26 | | |
| | Net profit margin -61.50% | | |
| Solvency and liquidity ratios: | | | |
| Current ratio | Current assets/Current liabilities | 267.37% | 250.68% |
| | Current assets 78.17 | | |
| | Divided by: Current liabilities 29.02 | | |
| | Current ratio 269.37% | | |
| Debt-to-equity ratio | Total liabilities/Total equity | 32.70% | 36.44% |
| | Total liabilities 32.96 | | |
| | Divided by: Total equity 100.79 | | |
| | Debt-to-equity ratio 32.70% | | |
| Quick ratio | Liquid assets/Current liabilities | 257.99% | 240.17% |
| | Cash 45.05 | | |
| | Receivables 24.12 | | |
| | Financial assets at FVTPL 5.70 | | |
| | Liquid assets 74.87 | | |
| | Divided by: Current liabilities 29.02 | | |
| | Quick ratio 257.99% | | |
| Asset-to-equity ratio | Total assets/Total equity | 132.71% | 136.44% |
| | Total assets 133.76 | | |
| | Divided by: Total equity 100.79 | | |
| | Asset-to-equity ratio 132.71% | | |



Venture Securities Inc. <info@venturesec.com>
Fwd: Your BIR AFS eSubmission uploads were received
To Teresita Mosenabre, Diana Lyn Abance

9:26 AM



----- Original Message -----

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Cc: TESS@VENTURESEC.COM
Date: 05/02/2023 4:28 PM PST
Subject: Your BIR AFS eSubmission uploads were received

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Submission Date/Time: **May 02, 2023 04:28 PM**
Company TIN: **000-170-513**

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