

ANSALDO, GODINEZ & CO., INC.

FINANCIAL STATEMENTS
December 31, 2023 and 2022

and

Report of Independent Auditors

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

ANNUAL AUDITED FINANCIAL REPORT

Information Required of Brokers and Dealers Pursuant to Rule 52.1-5 of the Securities and Regulation Code (SRC)

Report for the Period Beginning January 1, 2023 and Ending December 31, 2023

IDENTIFICATION OF BROKER OR DEALER

Name of Broker / Dealer: ANSALDO, GODINEZ & CO., INC.

Address of Principal Place of Business: 340 E.T. Yuchengco Street,
Binondo, Manila 1006

Name and Phone Number of Person to Contact in Regard to this Report

Name: MALOU GRAMATICA Tel. No. 8242-5125
Fax No. _____

IDENTIFICATION OF ACCOUNTANT

Name of Independent Certified Public Accountant whose opinion is contained in this report:

Name: MA. ALMA C. SESE Tel. No. 8994-3984
Fax No. N/A

Address: 9th Floor Unit C Marc 2000 Tower, 1973 Taft cor San Andres,
Malate, Manila

Certificate Number: 54588

PTR Number : 01533625 Date Issued: January 4, 2024

ANSALDO, GODINEZ & CO., INC.
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DECEMBER 31, 2023

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The management of **ANSALDO, GODINEZ & CO., INC.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

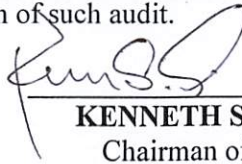
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative 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 and submits the same to the shareholders of the Company.

PEREZ, SESE, VILLA & CO., the independent auditors appointed by the shareholders has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the shareholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


KENNETH S. GODINEZ
President


KENNETH S. GODINEZ
Chairman of the Board


STEPHEN S. GODINEZ
Treasurer

Issued this 15th day of April 2024.

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the MANILA Philippines, this APR 30 2024, affiants who are personally known to me and whose identity I have confirmed through their competent evidence of identity bearing the affiants photograph and signature.

NAMES

COMPETENT
EVIDENCE OF IDENTITY

DATE AND PLACE ISSUED

Kenneth Godinez
Stephen Godinez
Kenneth Godinez

Passport APTC4024B
Passport PPT16025A
Passport PPTC4024B

11/09/20 - DFA NCR EAST
11/27/18 - DFA NCR EAST
11/09/20 - DFA NCR EAST

DOC NO. 351
PAGE NO. 71
BOOK NO. LV1
SERIES OF 2024


ATTY. JOHN EDWARD TRINIDAD ANG
Notary Public for City of Manila- Until 12-31-2024
Notarial Commission No. 2024-091
2nd Floor Midland Plaza Hotel, Adriatico St., Ermita, Mla.
IBP NO. 393541-01/03/2024 Pasig City
P.T.R. NO. 1535522-Jan 3, 2024 Manila
ROLL NO. 68731 .MCLE COMPLIANCE NO. VII-0011675



PEREZ, SESE, VILLA & CO.
CERTIFIED PUBLIC ACCOUNTANTS

 admin@psv-co.com

 (02) 8 994-3984

 9th Flr. Unit C MARC 2000 Tower
1973 Taft Ave. cor. San Andres St.
Malate, Manila 1004


SUPPLEMENTAL STATEMENT OF INDEPENDENT AUDITORS

To The Board of Directors and Shareholders
ANSALDO, GODINEZ & CO., INC.
340 E.T. Yuchengco Street
Binondo, Manila 1006

We have audited the financial statements **ANSALDO, GODINEZ & CO., INC.** (the Company) for the year ended December 31, 2023, on which we have rendered the attached report dated April 15, 2024.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Company has a total number of seven (7) shareholders owning one hundred (100) or more shares each of the Company's capital stock as of December 31, 2023, as disclosed in Note 21 to the financial statements.

PEREZ, SESE, VILLA & CO.

BY: 
MA. ALMA C. SESE
MANAGING PARTNER

CPA License No. 0054588

Tax Identification No. 212-955-173-000

PTR No. 01533625, Issued on January 4, 2024, Manila City

SEC Accreditation No:

Partner – 54588-SEC Group B, issued on December 1, 2022,

valid for five (5) years covering the audit of 2022 to 2026 financial statements

Firm – 0222-SEC, Group B, Issued on December 1, 2022,

valid for five (5) years covering the audit of 2022 to 2026 financial statements

BIR Accreditation No. 04-003494-001-2024, issued on March 11, 2024,

valid for three (3) years until March 10, 2027

IC Accreditation No.

Partner -54588-IC, Group B, issued on December 3, 2020

valid for five (5) years covering the audit of 2020 to 2024 financial statements

Firm -0222-IC, Group B, issued on December 3, 2020

valid for five (5) years covering the audit of 2020 to 2024 financial statements

BOA/PRC Cert. of Reg. No. 0222, issued on October 13, 2023 valid until October 12, 2026.

Manila, Philippines
April 15, 2024



REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES

To the Board of Directors and Shareholders
ANSALDO, GODINEZ & CO., INC.
340 E.T. Yuchengco Street
Binondo, Manila 1006

We have audited the financial statements of **ANSALDO, GODINEZ & CO., INC.** as at and for the year ended December 31, 2023 in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated April 15, 2024. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedules I to VIII, as required by the Securities and Exchange Commission under the Revised Securities Regulation Code Rule 68, are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information are the responsibility of management and have been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PEREZ, SESE, VILLA & CO.

BY: 
MA. ALMA C. SESE
MANAGING PARTNER

CPA License No. 0054588

Tax Identification No. 212-955-173-000

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Manila, Philippines
April 15, 2024



REPORT OF INDEPENDENT AUDITORS

To the Board of Directors and Shareholders
ANSALDO, GODINEZ & CO., INC.
340 E.T. Yuchengco Street
Binondo, Manila 1006

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **ANSALDO, GODINEZ & CO., INC.** (the Company), which comprise the statements of financial position as at December 31 2023 and 2022, and the 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 material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRS).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

Auditors' 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 Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2023 required by the Bureau of Internal Revenue as disclosed in Note 35 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PEREZ, SESE, VILLA & CO.

BY:  **MA. ALMA C. SESE**
MANAGING PARTNER

CPA License No. 0054588

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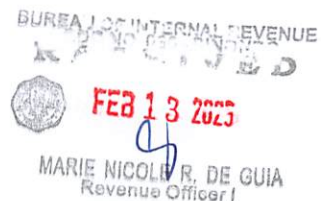
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BOA/PRC Cert. of Reg. No. 0222, issued on October 13, 2023 valid until October 12, 2026.

Manila, Philippines

April 15, 2024



ANSALDO, GODINEZ & CO., INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2023 and 2022

	Notes	2023	Security Position 2023		2022	Security Position 2022	
			Long	Short		Long	Short
ASSETS							
Current Assets							
Cash	4,5,6	P 199,384,665	P -	P -	P 178,211,490	P -	P -
Financial asset at fair value through profit or loss	4,5,7	1,044,859	1,044,859	-	1,516,487	1,516,487	-
Receivables from customers	4,5,8	49,741,798	514,844,466	-	51,222,700	198,425,904	-
Receivables from clearing house	4,5,18	-	-	-	16,699,430	-	-
Other receivables	4,5,9	9,688	-	-	1,559,688	-	-
Short term investments	4,5,10	26,237,729	-	-	35,439,193	-	-
Prepayments and other current assets	4,5,11	650,583	-	-	732,655	-	-
Total Current Assets		277,069,322	515,889,325	-	285,381,643	199,942,391	-
Non-Current Assets							
Financial asset at fair value through OCI	4,5,12	40,800,000	40,800,000	-	37,920,000	37,920,000	-
Property and equipment, net	4,5,13	1,444,268	-	-	1,826,370	-	-
Investment property	4,5,14	55,000	-	-	55,000	-	-
Intangible asset	4,5,15	5,000,000	-	-	5,000,000	-	-
Retirement pension asset	4,5,27	744,398	-	-	1,071,900	-	-
Other non-current assets	4,5,16	3,314,264	-	-	3,266,417	-	-
Deferred tax asset, net	4,5,28	19,028,742	-	-	18,064,795	-	-
Total Non-Current Assets		70,386,672	40,800,000	-	67,204,482	37,920,000	-
TOTAL ASSETS		P 347,455,994	P 556,689,325	-	P 352,586,125	P 237,862,391	-
Securities in Vault, Transfer Office and Philippine Depository and Trust Corp.				P 4,627,056,934		P 4,439,191,572	
LIABILITIES AND EQUITY							
Current Liabilities							
Payable to customers	4,17	P 171,892,278	P 4,070,367,609	P -	P 180,353,571	P 4,201,329,181	P -
Payable to / receivables from clearing house	4,18	440,999	-	-	-	-	-
Other payables	4,19	13,251,535	-	-	12,956,944	-	-
Advances from related parties	4,29	24,601,051	-	-	24,601,051	-	-
Other current liabilities	4,20	403,904	-	-	987,809	-	-
Total Current Liabilities		210,589,767	4,070,367,609	-	218,899,375	4,201,329,181	-
Equity							
Share capital	4,21	100,000,000	-	-	100,000,000	-	-
Retained earnings	4,21	28,003,342	-	-	26,811,265	-	-
Other comprehensive income	4,21	8,862,885	-	-	6,875,485	-	-
Total Equity		136,866,227	-	-	133,686,750	-	-
TOTAL LIABILITIES AND EQUITY		P 347,455,994	P 4,627,056,934	P 4,627,056,934	P 352,586,125	P 4,439,191,572	P 4,439,191,572

(See accompanying Notes to Financial Statements)




FEB 13 2023

MARIE NICOLE R. DE GUIA
Revenue Officer I

ANSALDO, GODINEZ & CO., INC.
STATEMENTS OF COMPREHENSIVE INCOME
For The Years Ended December 31, 2023 and 2022

	<i>Notes</i>	<u>2023</u>	<u>2022</u>
REVENUES			
Commission revenue	4,22	P 8,531,798	P 8,425,611
Dividend income	4,7,12	2,695,773	3,014,756
Gain on sale of financial asstes at FVPL	4,7	45,452	99,651
Unrealized loss on financial assets at FVPL	4,7	(218,579)	(49,223)
Total		11,054,444	11,490,795
DIRECT COSTS	4,23	(4,994,801)	(5,079,814)
GROSS INCOME		6,059,643	6,410,981
OPERATING EXPENSES	4,24	(10,140,645)	(6,632,557)
LOSS FROM OPERATION		(4,081,002)	(221,576)
OTHER INCOME	4,25	2,668,248	3,162,677
NET INCOME (LOSS) BEFORE INCOME TAX		(1,412,754)	2,941,101
INCOME TAX EXPENSE (BENEFITS)	4,5,28		
Current		-	236,352
Deferred		(1,569,238)	578,609
		(1,569,238)	814,961
NET INCOME AFTER TAX		156,484	2,126,140
OTHER COMPREHENSIVE INCOME (LOSS)	4,21		
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain (loss) on retirement liability		(235,975)	108,544
Tax effect		58,994	(27,136)
Fair value gain (loss) on short term investment		1,041,435	1,166,252
Tax effect		(260,359)	(291,563)
Reclassified to retained earnings		(1,035,593)	(2,420,840)
Tax effect		258,898	605,210
Fair value gain (loss) on financial assets at FVOCI		2,880,000	(13,680,000)
Tax effect		(720,000)	3,420,000
		1,987,400	(11,119,533)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		P 2,143,884	P (8,993,393)

(See accompanying Notes to Financial Statements)

BUREAU OF INTERNAL REVENUE
RECEIVED
FEB 13 2023

MARIE NICOLE R. DE GUIA
Revenue Officer I

ANSALDO, GODINEZ & CO., INC.
STATEMENT OF CHANGES IN EQUITY
For The Years Ended December 31, 2023 and 2022

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
SHARE CAPITAL			
Balance at beginning of the year	4,21	P 100,000,000	P 100,000,000
Issuance		-	-
Balance at end of the year		<u>100,000,000</u>	<u>100,000,000</u>
RETAINED EARNINGS			
	4,21		
Unappropriated			
Balance at beginning of the year		21,188,167	16,853,801
Net income for the year		156,484	2,126,140
Reclassified from other comprehensive income		1,035,593	2,420,840
Appropriation for the year per SRC Rule 49.1		<u>(15,648)</u>	<u>(212,614)</u>
Balance at end of the year		<u>22,364,596</u>	<u>21,188,167</u>
Appropriated			
Balance at beginning of the year		5,623,098	5,410,484
Appropriation for the year per SRC Rule 49.1		<u>15,648</u>	<u>212,614</u>
Balance at end of the year		<u>5,638,746</u>	<u>5,623,098</u>
Total Retained Earnings		<u>28,003,342</u>	<u>26,811,265</u>
OTHER COMPREHENSIVE INCOME			
	4,21		
Balance at beginning of year		6,875,485	17,995,018
Actuarial gain (loss) for the year		(176,981)	81,408
Fair value gain (loss) on short term investment		781,076	874,689
Reclassified to retained earnings		(776,695)	(1,815,630)
Fair value gain (loss) on financial assets at FVOCI		<u>2,160,000</u>	<u>(10,260,000)</u>
Total Other Comprehensive Income		<u>8,862,885</u>	<u>6,875,485</u>
TOTAL EQUITY		<u>P 136,866,227</u>	<u>P 133,686,750</u>

(See accompanying Notes to Financial Statements)

ANSALDO, GODINEZ & CO., INC.
STATEMENTS OF CASH FLOWS
For The Years Ended December 31, 2023 and 2022

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss) before tax		P (1,412,754)	P 2,941,101
Adjustment to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	4,5,13	390,384	169,093
Unrealized loss on financial asset at FVPL	4,5,7	218,579	49,223
(Gain) Loss on sale of financial asstes at FVPL	4,5,7	(45,452)	(99,651)
Dividend income	4,5,7	(2,695,773)	(3,014,756)
Interest income	4,6,25	(2,485,031)	(667,612)
Operating loss before changes in working capital		(6,030,047)	(622,602)
Decrease (Increase) in:			
Financial asset at FVPL	4,5,7	298,501	581,676
Receivables from customers	4,5,8	1,480,902	28,579,131
Receivables from clearing house	4,5,18	16,699,430	(12,578,215)
Other receivables	4,5,9	1,550,000	(1,022,987)
Prepayments and other current assets	4,5,11	32,442	(64,532)
Retirement pension asset	4,5,27	91,527	131,406
Increase (Decrease) in:			
Payable to customers	4,17	(8,461,293)	(26,310,121)
Payable to clearing house		440,999	-
Other payables	4,19	294,591	(5,017,101)
Other current liabilities	4,20	(583,905)	187,225
Cash provided by (used in) operations		5,813,147	(16,136,120)
Interest received	4,6,25	2,485,031	667,612
Dividend received	4,5,7	2,695,773	3,014,756
Income tax paid	4,5,28	(7,546)	(912,042)
Net cash provided by (used in) operating activities		10,986,405	(13,365,794)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property equipment	4,5,13	(8,282)	(1,739,151)
Additional investment	4,5,10	(20,000,000)	(15,000,000)
Payment of deposits	4,5,28	(47,847)	(56,355)
Proceeds from redemption of investment	4,5,10	30,242,899	110,000,000
Net cash provided by investing activities		10,186,770	93,204,494
NET INCREASE IN CASH		21,173,175	79,838,700
CASH AT THE BEGINNING OF THE YEAR		178,211,490	98,372,790
CASH AT THE END OF THE YEAR		<u><u>P 199,384,665</u></u>	<u><u>P 178,211,490</u></u>

(See accompanying Notes to Financial Statements)

ANSALDO, GODINEZ & CO., INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 2023 and 2022

NOTE 1 - GENERAL INFORMATION

ANSALDO, GODINEZ & CO., INC. (the Company) is a corporation registered with the Philippine Securities and Exchange Commission under registration number CS201000568 dated January 29, 2010. The Company is established primarily to carry on the business to open, operate, and maintain a stock brokerage house, to act as a dealer, broker, underwrite and distribute securities, bonds, debentures, products, commodities, gold bullions, monetary exchanges, and any and all other kinds of properties, either in the Philippines or in any foreign country, to engage or carry on a general technical services in the field of management and in any and all matters affecting stock, bonds, debenture transactions such as investigation, investment, management, acquisition, transfer of disposition, and to provide such other services or assistance related thereto..

The Company's registered address, which is also its principal place of business, is located at 340 E.T. Yuchengco St., Binondo, Manila, 1006.

Approval of the Financial Statement

The financial statements of the Company for the year ended December 31, 2023 including its comparative figures as at December 31, 2022 were approved and authorized for issue by the Board of Directors (BOD) on April 15, 2024.

NOTE 2 - BASIS OF PRESENTATION

Statement of Compliance

The financial statements of the Company have been prepared in compliance with the Philippine Financial Reporting Standard (PFRS). This financial reporting framework includes PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC) issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the Securities and Exchange Commission (SEC), including SEC pronouncement.

Presentation and Measurement

The Company has prepared the financial statements as at and for the year ended. December 31, 2023 and 2022 on a going concern basis, which assumes continuity of current business activities and the realization of assets and settlements of liabilities in the ordinary course of business.

They are presented in Philippine Peso which is the Company's functional and presentation currency. All amounts are rounded to the nearest peso.

The financial statements have been prepared on historical cost basis, unless stated otherwise.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety; which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

NOTE 3 - ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new and amended PFRS which the Company adopted effective for annual periods beginning on or after January 1, 2023.

Unless otherwise indicated, the adoption of the new and amended PFRS did not have any material effect on the financial statements. Additional disclosures have been included in the notes to financial statements, as applicable.

- Amendments to PAS 1, *Presentation of Financial Statements*, and PFRS Practice Statement 2, *Making Materiality Judgments - Disclosure Initiative - Accounting Policies* – The amendments require an entity to disclose its material accounting policies, instead of its significant accounting policies and provide guidance on how an entity applies the concept of materiality in making decisions about accounting policy disclosures. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and its nature. The amendments clarify (1) that accounting policy information may be material because of its nature, even if the related amounts are immaterial, (2) that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements, and (3) if an entity discloses immaterial accounting policy information, such information should not obscure material accounting policy information. In addition, PFRS Practice Statement 2 is amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information.
- Amendments to PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates* – The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies, and the correction of errors. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". An entity develops an accounting estimate if an accounting policy requires an item in the financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not a correction of an error, and that the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. A change in an accounting estimate may affect only the profit or loss in the current period, or the profit or loss of both the current and future periods.
- Amendments to PAS 12, *Income Taxes - Deferred Tax Related Assets and Liabilities from a Single Transaction* – The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

- Amendments to PAS 1, *Classification of Liabilities as Current or Noncurrent* – The amendments clarify the requirements for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments also specify and clarify the following: (i) an entity's right to defer settlement must exist at the end of the reporting period, (ii) the classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement, (iii) how lending conditions affect classification, and (iv) requirements for classifying liabilities where an entity will or may settle by issuing its own equity instruments.
- Amendments to PAS 12, *International Tax Reform - Pillar Two Model Rules* – The amendments provide a mandatory temporary exemption for the accounting of the deferred taxes arising from the implementation of the Organization for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting Pillar Two model rules (Pillar Two income taxes). The amendments also introduce the disclosure requirements for the affected entities to enable users of the financial statements understand the extent to which an entity will be affected by the Pillar Two income taxes, particularly before its effectivity date.

Unless otherwise indicated, the adoption of the amendments to PFRS did not materially affect the financial statements of the Company. Additional disclosure were included in the notes to financial statements as applicable.

New and Amended PFRS and PIC Issuances in Issue But Not Yet Effective or Adopted

Relevant new and amended PFRS and PIC issuances, which are not yet effective as at December 31, 2023 and have not been applied in preparing the financial statements, are summarized below.

Effective for annual periods beginning on or after January 1, 2024:

- Amendments to PFRS 16, *Leases - Lease Liability in a Sale and Leaseback* – The amendments clarify that the liability that arises from a sale and leaseback transaction, that satisfies the requirements in PFRS 15, *Revenue from Contracts with Customers*, to be accounted for as a sale, is a lease liability to which PFRS 16 applies and give rise to a right-of-use asset. For the subsequent measurement, the seller-lessee shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying this subsequent measurement does not prevent the seller-lessee from recognizing any gain or loss relating to the partial or full termination of a lease. Any gain or loss relating to the partial or full termination of the lease does not relate to the right of use retained but to the right of use terminated. The amendments must be applied retrospectively. Earlier application is permitted.
- Amendments to PAS 1, *Noncurrent Liabilities with Covenants* – The amendments clarified that covenants to be complied with after the reporting date do not affect the classification of debt as current or noncurrent at the reporting date. Instead, the amendments require the entity to disclose information about these covenants in the notes to the financial statements. The amendments must be applied retrospectively. Earlier application is permitted. If applied in earlier period, the Company shall also apply Amendments to PAS 1 - *Classification of Liabilities as Current or Noncurrent* for that period.
- *IFRIC Agenda Decision Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost) for the Real Estate Industry* – In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under

construction and for which the related revenue is/will be recognized over time under paragraph 35(c) of International Financial Reporting Standards 15 (PFRS 15). IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of qualifying asset under PAS 23 considering that these inventories are ready for their intended sale in their current condition.

On December 15, 2020, the SEC issued SEC MC No. 34, Series of 2020, which extends the relief on the application of the IFRIC Agenda Decision provided to the real estate industry until December 31, 2023.

- PIC Q&A 2018-12-D, *PFRS 15, Implementing Issues Affecting the Real Estate Industry (as amended by PIC Q&A 2020-4)* – On December 15, 2020, the SEC issued SEC MC No. 34-2020 providing relief to the real estate industry by deferring the application of “assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (with an addendum in PIC Q&A 2020-04)” until December 31, 2023.
- PIC Q&A 2018-12-E, *Treatment of Land in the Determination of the POC* – The PIC Q&A clarified that the cost of the land should be excluded in measuring the POC of performance obligation and should be accounted for as fulfillment cost.

On December 15, 2020, the SEC issued SEC MC No. 34-2020 providing relief to the real estate industry by deferring the application of “exclusion of land in calculation of POC as discussed in PIC Q&A 2018-12-E” until December 31, 2023.

- Amendments to PAS 7, *Statement of Cash Flows* and PFRS 7, *Financial Instrument: Disclosures - Supplier Finance Arrangements* – The amendments introduced new disclosure requirements to enable users of the financial statements assess the effects of supplier finance arrangements on the liabilities, cash flows and exposure to liquidity risk. The amendments also provide transitional relief on certain aspects, particularly on the disclosures of comparative information. Earlier application is permitted.

Effective for annual periods beginning on or after January 1, 2025:

- Amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability* – The amendments clarify when a currency is considered exchangeable into another currency and how an entity determines the exchange rate for currencies that lack exchangeability. The amendments also introduce new disclosure requirements to help users of financial statements assess the impact when a currency is not exchangeable. An entity does not apply the amendments retrospectively. Instead, an entity recognizes any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity. Earlier application is permitted.
- PFRS 17, *Insurance Contracts*– This standard will replace PFRS 4, *Insurance Contracts*. It requires insurance liabilities to be measured at current fulfillment value and provides a more uniform measurement and presentation approach to achieve consistent, principle-based accounting for all insurance contracts. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. An amendment to the standard was issued to (i) reduce costs of transition by simplifying some requirements of the standard, (ii) make financial performance easier to explain, and (iii) ease transition by deferring the effectivity of the standard from 2021 to 2023 and by providing additional relief to reduce the effort required when applying PFRS 17 for the first time.

In response to the challenges brought by the COVID-19 pandemic, the Insurance Commission issued Circular Letter 2020-062, *Amendment of Section 1 of Circular Letter No. 2018-69, Deferral of IFRS 17 Implementation*, which provides a two-year deferral on the implementation of the standard from the 2023 effectivity date. Therefore, all life and nonlife insurance companies in the Philippines shall adopt PFRS 17 for annual periods beginning on or after January 1, 2025.

- **Amendment to PFRS 17, *Insurance Contracts - Initial Application of PFRS 17 and PFRS 9 - Comparative information***– The amendment adds a transition option for a “classification overlay” to address temporary accounting mismatches between financial assets and insurance contract liabilities relating to comparative information presented on the initial application of PFRS 17. If an entity elects to apply the classification overlay, it can only do so for comparative periods to which it applies PFRS 17. No amendments have been made to the transition requirements of PFRS 9.

Deferred effectivity -

- **Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28 - *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture*** – The amendments address a conflicting provision under the two standards. It clarifies that a gain or loss shall be recognized fully when the transaction involves a business, and partially if it involves assets that do not constitute a business. The effective date of the amendments, initially set for annual periods beginning on or after January 1, 2016, was deferred indefinitely in December 2015 but earlier application is still permitted.

Under prevailing circumstances, the adoption of the foregoing new and amended PFRS and PIC issuances is not expected to have any material effect on the financial statements of the Company. Additional disclosures will be included in the financial statements, as applicable.

NOTE 4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies that have been used in the preparation of these financial statements are summarized below. These accounting policies information are considered material because of its amounts, nature and related amounts. These are material in understanding material information in the financial statement. These policies have been consistently applied to all the years presented, unless otherwise stated.

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Classification

The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost and (c) financial assets at fair value

through other comprehensive income (FVOCI). Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost. The classification of a financial instruments largely depends on the Company's business model and its contractual cash flow characteristics.

Financial Assets and Liabilities at FVPL

Financial assets and liabilities at FVPL are either classified as held for trading or designated at FVPL.

A financial instrument is classified as held for trading if it meets either of the following conditions:

- it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

This category includes equity instruments which the Company had not irrevocably elected to classify at FVOCI at initial recognition. This category includes debt instruments whose cash flows are not "solely for payment of principal and interest" assessed at initial recognition of the assets, or which are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

The Company may, at initial recognition, designate a financial asset or financial liability meeting the criteria to be classified at amortized cost or at FVOCI, as a financial asset or financial liability at FVPL, if doing so eliminates or significantly reduces accounting mismatch that would arise from measuring these assets or liabilities.

After initial recognition, financial assets at FVPL and held for trading financial liabilities are subsequently measured at fair value. Unrealized gains or losses arising from the fair valuation of financial assets at FVPL and held for trading financial liabilities are recognized in profit or loss.

For financial liabilities designated at FVPL under the fair value option, the amount of change in fair value that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch. Amounts presented in other comprehensive income are not subsequently transferred to profit or loss.

As at December 31, 2023 and 2022, the Company's financial asset at FVPL assets or liabilities classified as FVPL are presented in (Note 7).

Financial Assets at Amortized Cost

Financial assets shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is 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.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for credit losses, if any. Amortized cost is

calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized and through amortization process.

Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

Cash in banks are demand deposits with banks and earn interest at prevailing bank deposit rates. Meanwhile, cash equivalents are short-term highly liquid investments that are readily convertible into known amounts of cash, which are subject to an insignificant risk of changes in value and which have a maturity of three (3) months or less at acquisition.

As at December 31, 2023 and 2022, the Company's cash, receivable from customers, receivables from clearing house, other receivables and refundable deposit under other non-current assets, are classified under this category. (Note 6, 8, 9 and 16)

Financial Assets at FVOCI

For debt instruments that meet the contractual cash flow characteristic and are not designated at FVPL under the fair value option, the financial assets shall be measured at FVOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets; 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.

For equity instruments, the Company may irrevocably designate the financial asset to be measured at FVOCI as long as these are not held for trading purposes.

After initial recognition, Financial assets at FVOCI are presented in the financial statements at fair value with changes in fair value are recognized in OCI.

Interest income on debt instruments is calculated using the effective interest method while credit losses on debt instruments measured at FVOCI are recognized directly in profit or loss. When the financial asset is derecognized, the cumulative gains or losses previously recognized in OCI are reclassified to profit or loss.

Dividends from equity instruments held at FVOCI are recognized in profit or loss when the right to receive payment is established. Cumulative changes in fair value of FVOCI equity instruments are recognized in equity and are not reclassified to profit or loss in subsequent periods.

As at December 31, 2023 and 2022, the Company's financial asset classified as FVOCI is presented in Notes 13.

Financial Liabilities at Amortized Cost

Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into

account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process.

As at December 31, 2023 and 2022, the Company's payable to customers, other payables and advances from related parties accounts are classified under this category. (Notes 17, 18, 19 and 29)

Reclassification

The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVOCI, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in OCI.

For a financial asset reclassified out of the financial assets at FVPL category to financial assets at amortized cost, its fair value at the reclassification date becomes its new gross carrying amount.

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at amortized cost, any gain or loss previously recognized in OCI shall be recognize in profit or loss. For a financial asset reclassified out of the financial assets at FVPL category to financial assets at FVOCI, its fair value at the reclassification date becomes its new gross carrying amount. Meanwhile, for a financial asset reclassified out of the financial assets at FVOCI category to financial assets at FVPL, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

Impairment of Financial Assets

The Company records an allowance for "expected credit loss" (ECL). ECL is 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. The difference is then discounted at an approximation to the asset's original effective interest rate.

For receivables from customers, the Company has applied the provision of SRC Rule 52.1.11 and Risk Based Capital Adequacy. The Company's Credit Losses was computed based on the classification, credit loss rate and basis specified in SRC Rule No. 52.1.11. In 2023, section 52.1.11.2 and 52.1.11.3 was amended through SEC Memorandum Circular No. 11, Series of 2023.

For debt instruments measured at amortized cost and FVOCI, the ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

Derecognition of Financial Assets and Liabilities

Financial Assets

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

- the right to receive cash flows from the asset has expired;
- the Company retains the right to receive cash flows from the financial 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 right to receive cash flows from the financial asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Company’s continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Company could be required to repay.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statements of comprehensive income.

A modification is considered substantial if the present value of the cash flows under the new terms, including net fees paid or received and discounted using the original effective interest rate, is different by at least 10% from the discounted present value of remaining cash flows of the original liability.

The fair value of the modified financial liability is determined based on its expected cash flows, discounted using the interest rate at which the Company could raise debt with similar terms and conditions in the market. The difference between the carrying value of the original liability and fair value of the new liability is recognized in the statements of comprehensive income.

On the other hand, if the difference does not meet the 10% threshold, the original debt is not extinguished but merely modified. In such case, the carrying amount is adjusted by the costs or fees paid or received in the restructuring.

Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

Classification of Financial Instrument between Liability and Equity

A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Prepayments and Other Current Assets

Prepayments represent advance payments for insurance which the Company expects to consume within one year. Other current assets includes creditable withholding taxes and input tax. Prepayments and other current assets are stated in the statement of financial position at cost less any portion that has already been consumed or that has already expired.

Investment Property

Investment property is a property (land or building, or part of a building or both) held by the Company to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes, or sale in the ordinary course of business. Investment property is initially measured at cost.

Subsequently, investment property is measured at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is computed using the straight-line method over the assets' estimated useful life of 50 years

Investment property is derecognized by the Company upon its disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Property and Equipment

Property and equipment are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one period.

Items of property and equipment are initially measured at cost. Such cost includes purchase price and all incidental costs necessary to bring the asset to its location and condition. Subsequent to initial recognition, items of property and equipment are measured in the statement of financial position at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation, which is computed on a straight-line basis, is recognized so as to allocate the cost of assets less their residual values over their estimated useful lives.

If there is an indication that there has been a significant change in useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

When assets are sold, retired or otherwise disposed of, their costs and related accumulated depreciation and impairment losses, if any, are removed from the accounts and any resulting gain or loss is reflected in profit or loss for the period.

Intangible Assets

Intangible asset represents trading rights and computer software. This is initially measured at cost and is presented in the statement of financial position at cost less accumulated amortization and any accumulated impairment losses.

Trading right is not amortized but reviewed each year to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. The Company tests the asset for impairment by comparing its carrying amount with its recoverable amount, and recognizing any excess of the carrying amount over the recoverable amount as an impairment loss.

Computer software is amortized over its estimated useful life of three (3) years using the straight-line method. If there is an indication that there has been a significant change in the useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

When intangible assets are sold, retired or otherwise disposed of, their cost and related accumulated amortization and impairment losses, if any, are removed from the accounts and any resulting gain or loss is reflected in profit or loss for the period.

Impairment of Non- Financial Assets

At each reporting date, non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit and loss

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit and loss.

Share Capital

Share capital represents the total par value of the ordinary shares issued.

Equity instruments are measured at the fair value of the cash or other consideration received or receivable, net of the direct costs of issuing the equity instruments.

The difference between the consideration received and the par value of the shares issued is credited to share premium.

Retained Earnings

Retained earnings include income earned in current and prior periods net of any dividend declaration, effects of changes in accounting policy and prior period adjustments.

Other Comprehensive Income

Other components of equity comprise of items of income and expense that are not recognized in profit or loss for

Revenue

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured by reference to the fair value of consideration received or receivable excluding discounts, returns and sales taxes. Revenue is recognized either at a point in time or over a period of time.

Revenue is recognized as follows:

Commission

Revenue is recognized at a point in time when trade deals are confirmed. This is computed on an agreed flat rate for every transaction.

Dividend Revenue

Dividend revenue is recognized when the Company's rights to receive payment have been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Other Income

Other income is recognized when earned.

Finance income

Finance income comprises interest income on bank deposits. Interest income is recognized in profit and loss as it accrues, using the effective interest method.

Expenses

Expenses are decreases in economic benefits in the form of decreases in assets or increase in liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Expenses are generally recognized when the services are received or when the expenses are incurred.

Direct Costs

Direct costs are expenses incurred that are associated with services rendered which includes salaries and employee benefits and other expenses directly associated with the cost of service.

Operating Expenses

This account are costs attributes to administrative, marketing, and other business activities of the Company which includes professional fees, depreciation expense, rental, utilities and other costs that cannot be associated directly to the services rendered.

Borrowing cost

Borrowing costs include interest and other charges related to borrowing arrangements.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of the assets until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Income Tax

Income tax expense includes current tax expense and deferred tax expense. The current tax expense is based on taxable profit for the year. Deferred tax is recognized on the differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases.

Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognized for all temporary differences that are expected to reduce taxable profit in the future, and any net operating loss carry over (NOLCO) or excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT). The net carrying amount of deferred tax asset is reviewed at each reporting date and any adjustments are recognized in profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

Employee Benefits

Short-term benefits

Short-term benefits given by the Company to its employees include salaries and wages, compensated absences, 13th month pay, employer share contributions and other de minimis benefits, among others.

These are recognized as expense in the period the employees render services to the Company.

Retirement Benefits

The Company has a defined benefit plan which requires contributions to be made to a separately administered fund. The cost of providing benefits under the plan is determined using the projected unit credit method.

Retirement benefit expense includes:

- Service costs; and
- Net interest expense or income

Remeasurements, comprising of actuarial gains and losses, and the effect of the asset ceiling, are recognized immediately in OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Related Parties

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

Leases

A lease is a contract that conveys the right to use an identified asset for a period of time in exchange for a consideration.

Determination as to whether a contract is, or contains, a lease is made at the inception of the lease. Accordingly, the Company assesses whether the contract meets three key evaluations which are:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the lessee;
- the lessee has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and,
- the lessee has the right to direct the use of the identified asset throughout the period of use. The lessee assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Company as Lessee

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability in the statement of financial position. The lease liability is initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments include fixed payments (including in-substance fixed), variable lease payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options (either renewal or termination) reasonably certain to be exercised. Subsequent to initial measurement, the liability is increased for interest incurred and reduced for lease payments made.

The right-of-use asset is initially measured at the amount of lease liability adjusted for any initial direct costs incurred by the lessee, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequently, the Company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Foreign Currency Transaction

Foreign currency transactions are initially recognized using the spot rate of exchange at the date of the transaction. Monetary assets and liabilities that are denominated in foreign currency are translated into the functional currency using the closing rate as of the reporting date. Gains and losses arising from foreign currency transactions and remeasurement of monetary assets and liabilities are recognized immediately in profit and loss.

Provisions and Contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including risks and uncertainties associated with the present obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Contingent assets and liabilities are not recognized in the financial statements, but are disclosed in the notes to separate financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to statements of financial position when an inflow of economic benefits is probable.

Changes in accounting policies, change in accounting estimates and correction of prior period errors

The Company applies changes in accounting policy if the change is required by the accounting standards or in order to provide reliable and more relevant information about the effects of transactions, other events or conditions on the Company's financial statements. Changes in accounting policy brought about by new accounting standards are accounted for in accordance with the specific transitional provision of the standards. All other changes in accounting policy are accounted for retrospectively.

Changes in accounting estimates is recognized prospectively by reflecting it in the profit and loss in the period of the change if the change affects that period only or the period of the change and future periods if the change affects both.

Prior period errors are omissions from, and misstatements in, the Company's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that was available when financial statements for those periods were authorized for issue and could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

To the extent practicable, the Company corrects a material prior period error retrospectively in the first financial statements authorized for issue after its discovery by restating the comparative amounts for the prior period(s) presented in which the error occurred, or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for period presented.

When it is impracticable to determine the period-specific effects of an error on comparative information for one or more prior periods presented, the Company restates the opening balances of assets, liabilities and equity for the earliest period for which retrospective restatement is practicable.

Subsequent events

Subsequent events that provide additional information about conditions existing at period end (adjusting events) are recognized in the financial statements. Subsequent events that provide additional information about conditions existing after period end (non-adjusting events) are disclosed in the notes to the financial statements.

NOTE 5 - SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements in accordance with Philippine Financial Reporting Standards requires the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgements and accounting estimates and assumptions used in the financial statements are based upon management evaluation of relevant facts and circumstances as at the reporting date. While the Company believes that the assumptions are reasonable and appropriate. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of changes in estimates will be reflected in the financial statements as they become reasonably determinable.

The accounting estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected.

The following are the significant judgement, accounting estimates and assumptions by the Company:

Judgement

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements:

Assessment of Impairment of Nonfinancial Assets

The Company determines whether there are indicators of impairment of the Company's non-financial assets. Indicators of impairment include significant change in usage, decline in the asset's fair value or underperformance relative to expected historical or projected future results. Determining the fair value requires the determination of future cash flows and future economic benefits expected to be generated from the continued use and ultimate disposition of such assets. It requires the Company to make estimates and assumptions that can materially affect the financial statements. Future events could be used by management to conclude that these assets are impaired. Any resulting impairment loss could have a material adverse impact on the Company's financial position and financial performance. The preparation of the estimated future cash flows and economic benefits involves significant judgments and estimation.

No impairment loss on non-financial assets was recognized in the Company's financial statements in either 2023 or 2022.

Estimates

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

Estimation of Allowance for Credit Losses

The measurement of the allowance for Credit Losses on financial assets at amortized cost and at FVOCI is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring Credit Losses is further detailed in Note 31.

Estimating useful lives of property and equipment

The Company estimates the useful lives of its property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets and residual values are reviewed, and adjusted if appropriate, only if there is a significant change in the asset or how it is used.

The following estimated useful lives are used in depreciating the property and equipment:

Particulars	Useful Lives
Leasehold improvements	5 years
Furniture, fixtures and Equipment	5 years
Transportation equipment	5 years

Determination of Realizable Amount of Deferred Tax Assets

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount 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. Management assessed that the deferred tax assets recognized as at December 31, 2023 and 2022 will be fully utilized in the coming years. The carrying value of deferred tax assets as of those dates is disclosed in Note 28.

NOTE 6 - CASH

This account consists of:

	2023	2022
Cash in bank	₱ 199,383,165	₱ 178,209,990
Cash on hand	1,500	1,500
	<u>₱ 199,384,665</u>	<u>₱ 178,211,490</u>

Cash in bank generally earns interest at rates based on daily bank deposit rates. These are unrestricted and available for use in the Company's operation except for the special reserve bank account with Security Bank and China Bank.

Interest income recognized in the Statement of Comprehensive Income amounted to ₱1,038,404 and ₱391,083 in 2023 and 2022, respectively (Note 25).

In compliance with Securities Regulation Code (SRC) Rule 49.2-1, the Company maintains a special reserve bank account with Security Bank and China Bank amounting to ₱145,143,284 and

₱143,319,362 as at December 31, 2023 and 2022, respectively for the exclusive benefit of its customers. As of December 31, 2023 and 2022, the Company's reserve accounts are adequate to cover its reserve requirements.

Included in the Company's reserve account is a time deposit amounting to ₱32,000,000 as of December 31, 2023 and 2022, respectively, earning effective interest of 6.125% with a term of 31 days. Interest income earned amounts to ₱1,446,627 and ₱276,529 as at December 31, 2023 and 2022 (Note 25).

NOTE 7 - FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

This account consists of:

	2023	2022
Equities in PHISIX	₱ -	₱ 264,000
Equities outside PHISIX	1,044,859	1,252,487
	<u>₱ 1,044,859</u>	<u>₱ 1,516,487</u>

The movement in the financial assets at fair value through profit or loss is summarized below:

	2023	2022
Balance at beginning of year	₱ 1,516,487	₱ 2,047,735
Additions	13,170,957	15,064,767
Disposals	(13,424,006)	(15,546,792)
Fair value adjustments	(218,579)	(49,223)
Balance at end of year	<u>₱ 1,044,859</u>	<u>₱ 1,516,487</u>

Financial assets at FVPL represents equity securities held for trading. Fair values are based on the quoted market price at the PSE as at December 31, 2023 and 2022 or on the last trading day of each year.

Dividend income on financial assets at FVPL presented in the statements of comprehensive income amounted to ₱295,773 and ₱374,756 in 2023 and 2022, respectively.

The Company recognizes gain and loss on sale of financial assets at FVPL presented in the statements of comprehensive income amounting to ₱45,452 gain in 2023 and ₱99,651 gain in 2022.

The change in fair value of financial assets at fair value through profit or loss recognized and presented as under Unrealized loss on financial assets at FVPL in the statements of comprehensive income amounted to ₱218,579 and ₱49,223 in 2023 and 2022, respectively.

NOTE 8 - RECEIVABLE FROM CUSTOMERS

The security valuation of the debit balances of customers' accounts are presented below:

	2023		2022	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
Fully secured accounts:				
More than 250%	₱ 15,709,068	₱ 466,840,846	₱ 10,972,798	₱ 143,546,928
Between 200% to 250%	25,470	57,722	461,871	1,081,747
Between 150% to 200%	1,679,100	2,854,185	1,584,793	3,046,205
Between 100% to 150%	20,297,313	22,170,037	22,417,740	23,910,704
	<u>37,710,951</u>	<u>491,922,790</u>	<u>35,437,202</u>	<u>171,585,584</u>

Partially secured accounts:				
Less than 100%	89,983,422	22,921,676	88,353,047	26,840,321
Unsecured accounts	<u>722,047</u>	<u>-</u>	<u>723,356</u>	<u>-</u>
	<u>90,705,469</u>	<u>22,929,676</u>	<u>89,076,403</u>	<u>26,840,321</u>
Less: Allowance for credit losses (Note 31)	<u>(78,674,622)</u>	<u>-</u>	<u>(73,290,905)</u>	<u>-</u>
	<u>P 49,741,798</u>	<u>P 514,844,466</u>	<u>P 51,222,700</u>	<u>P 198,425,905</u>

Receivables from customers are due within two (2) business days after the consummation of the transactions.

None of the Company's receivables from customers have been pledged as collateral to any loan.

Allowance for credit losses on receivables from customers is computed using the formula provided by the SRC Rule No. 52.1.11 which forms part of the Risk-Based Capital Adequacy (RBCA) Report, Note 31.

Movements in the allowance for credit losses follows:

	<u>2023</u>	<u>2022</u>
Balance at January 1	P 73,290,905	P 75,785,970
Credit losses (Note 24)	5,383,717	-
Recovery (Note 25)	-	(2,495,065)
Balance, December 31	<u>P 78,674,622</u>	<u>P 73,290,905</u>

NOTE 9 - OTHER RECEIVABLES

This account consists of:

	<u>2023</u>	<u>2022</u>
Stock rights receivables	P -	P 1,550,000
Miscellaneous receivables	9,688	9,688
	<u>P 9,688</u>	<u>P 1,559,688</u>

Stock rights receivables pertains to Company's purchase of shares but received in the subsequent period.

Miscellaneous receivables pertains to various withholding taxes paid by the Company on behalf of the employees and officers which are subject to salary deduction.

NOTE 10 - SHORT-TERM INVESTMENT

This account represents unit investment trust fund and money market placements on local banks amounting to P 26,237,729 and P35,439,193 as at December 31, 2023 and 2022, respectively.

The reconciliation of the carrying amount of the Company's short-term investment for 2023 and 2022 is shown below:

<u>2023</u>	Unit Investment Trust Fund	Money Market Placement	Total
January 01, 2023	<u>₱ 35,439,193</u>	<u>₱ -</u>	<u>₱ 35,439,193</u>
Addition	5,000,000	15,000,000	₱ 20,000,000
Redemption	(15,242,899)	(15,000,000)	(30,242,899)
Adjustment (Note 21)	1,041,435	-	1,041,435
	<u>(9,201,464)</u>	<u>-</u>	<u>(9,201,464)</u>
December 31, 2023	<u>₱ 26,237,729</u>	<u>₱ -</u>	<u>₱ 26,237,729</u>
<u>2022</u>	Unit Investment Trust Fund	Money Market Placement	Total
January 01, 2022	<u>₱ 74,272,941</u>	<u>₱ 55,000,000</u>	<u>₱ 129,272,941</u>
Addition	₱ -	₱ 15,000,000	₱ 15,000,000
Redemption	(37,579,160)	(70,000,000)	(107,579,160)
Adjustment (Note 21)	(1,254,588)	-	(1,254,588)
	<u>(38,833,748)</u>	<u>(55,000,000)</u>	<u>(93,833,748)</u>
December 31, 2022	<u>₱ 35,439,193</u>	<u>₱ -</u>	<u>₱ 35,439,193</u>

NOTE 11 - PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	<u>2023</u>	<u>2022</u>
Prepaid insurance	₱ 59,896	₱ 57,050
Prepaid income tax (Note 28)	441,618	491,248
VAT Input	149,069	184,357
	<u>₱ 650,583</u>	<u>₱ 732,655</u>

Prepaid insurance represents the unamortized insurance paid in advance which will be expensed in the next accounting period or within 12 months from reporting period.

Prepaid income tax pertains to excess tax credits, which could be applied to tax liability of the company in the future or succeeding period.

VAT input are value added tax imposed on purchases of goods and services. These are deductible to the Company's future VAT liability.

NOTE 12 - FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

This account represents investment in PSE shares amounting to ₱40,800,000 and ₱37,920,000 as at December 31, 2023 and 2022, respectively.

The movement in the financial assets at fair value through other comprehensive income is summarized below:

2023

	Shares	Amount
Balance at beginning of year	240,000	P 37,920,000
Fair value adjustments	-	2,880,000
Balance at end of year	240,000	P 40,800,000

2022

	Shares	Amount
Balance at beginning of year	240,000	P 51,600,000
Fair value adjustments	-	(13,680,000)
Balance at end of year	240,000	P 37,920,000

The Company has 240,000 PSE shares as of December 2023 and 2022. The fair market value of PSE shares is quoted at P170 and P158 per share as at December 31, 2023 and 2022, respectively. Fair values of these securities at FVOCI have been determined based on quoted prices in active market. (Note 33).

Dividends income on PSE shares amounted to P2,400,000 and P2,640,000 in 2023 and 2022, respectively and are presented in the statements of comprehensive income.

NOTE 13 - PROPERTY PLANT AND EQUIPMENT

A reconciliation of the carrying amounts at the beginning and end of 2023 and 2022, of property and equipment is shown below

2023

	Furniture, fixtures & equipment	Leashold Improvements	Transportation Equipment	Total
Costs				
January 01, 2023	P 3,798,465	P 1,660,980	P 14,701,450	P 20,160,895
Additions	8,282	-	-	8,282
Disposals	-	-	-	-
December 31, 2023	3,806,747	1,660,980	14,701,450	20,169,177
Accumulated depreciation				
January 01, 2023	3,534,913	1,660,980	13,138,632	18,334,525
Depreciation expense	72,927	-	317,457	390,384
Disposals	-	-	-	-
December 31, 2023	3,607,840	1,660,980	13,456,089	18,724,909
Carrying amount				
December 31, 2022	P 263,552	P -	P 1,562,818	P 1,826,370
Carrying amount				
December 31, 2023	P 198,907	P -	P 1,245,361	P 1,444,268

2022

	Furniture, fixtures & equipment	Leashold Improvements	Transportation Equipment	Total
Costs				
January 01, 2022	P 3,648,600	P 1,660,980	P 13,112,164	P 18,421,744
Additions	149,865	-	1,589,286	1,739,151
Disposals	-	-	-	-
December 31, 2022	<u>3,798,465</u>	<u>1,660,980</u>	<u>14,701,450</u>	<u>20,160,895</u>
Accumulated depreciation				
January 01, 2022	3,456,771	1,660,980	13,047,681	18,165,432
Depreciation expense	78,142	-	90,951	169,093
Disposals	-	-	-	-
December 31, 2022	<u>3,534,913</u>	<u>1,660,980</u>	<u>13,138,632</u>	<u>18,334,525</u>
Carrying amount				
December 31, 2021	<u>P 191,829</u>	<u>P -</u>	<u>P 64,483</u>	<u>P 256,312</u>
Carrying amount				
December 31, 2022	<u>P 263,552</u>	<u>P -</u>	<u>P 1,562,818</u>	<u>P 1,826,370</u>

As of December 31, 2023, and 2022, management believes that there is no impairment loss on its property and equipment.

The amount of depreciation is presented in the statements of comprehensive income under the operating expenses (Note 24).

None of the property and equipment were pledged as collateral to any loan and liability.

NOTE 14 - INVESTMENT PROPERTY

The Company's investment property represents a parcel of land located in Baesa, Caloocan City. The said property is located in a high-risk place due to informal settlers occupying the said property, appraisers are unable to visit the said property, and hence, no appraisal report was obtained. Investment property is valued at acquisition cost of P55,000 as of December 31, 2023 and 2022.

Attributed realty tax expense relating to these properties amounts to P26,009 in 2023 and 2022. (Note 35)

None of the investment property were pledged as collateral to any loan and liability.

NOTE 15 - INTANGIBLE ASSET

This account represents trading right amounting to P5,000,000 as of December 31, 2023 and 2022 and fully amortized computer software.

Trading right represents the Company's privilege in trading securities in the PSE floor. In compliance with Section 8, Article III of the Amended By Laws of the Exchange, the Company's trading right (previously the exchange membership seat is pledged at its full value to the PSE to secure the payment of all debts due to the Exchange and to other trading participants of the exchange arising from out of or in connection with the present or future contracts relating to securities and in compliance with Section 7, Article II of the Rules Governing Trading Rights and Trading Participants, to secure the payment of all debts and claims due to the clients of the Company, the Government, the Exchange and other trading participant of the Exchange and to the Securities Clearing Corporation of the Philippines

The trading right is regarded as having an indefinite useful life when it was acquired because it is expected to generate net cash inflows indefinitely. Because it is regarded as having an indefinite useful life, the trading right would not be amortized but would be tested for impairment annually and whenever there is an indication that it may be impaired.

The carrying amount of trading rights presented as part of Intangible Assets in the Statement of Financial Position amounts to P5,000,000 as at December 31, 2023 and 2022. The last transacted price of the trading right in Philippine Pesos: Eight Million (P8,000,000) dated November 16, 2022. Considering that the market value is significantly higher than the carrying amount, no impairment loss was recognized for this account.

The computer software is fully amortized in 2016 but still in use by the Accounting department.

NOTE 16 - OTHER NON-CURRENT ASSETS

This account consists of:

	2023	2022
Clearing and trade guaranty fund (CTGF)	P 3,300,544	P 3,252,697
Refundable deposits	13,720	13,720
	<u>P 3,314,264</u>	<u>P 3,266,417</u>

Clearing and Trade Guaranty Fund (CTGF) pertains to fund established, maintained by Securities Clearing Corporation of the Philippines (SCCP), for the purpose of covering failed trades due to member's illiquidity and/or insolvency. This is refundable upon cessation of the Company's business and/or termination of the Company's membership with SCCP.

Refundable deposits pertain to deposits to PLDT lines. These are refundable at the end of the service agreement.

NOTE 17 - PAYABLES TO CUSTOMERS

This account consists of:

	2023	2022
Payables to customers	P 171,559,688	P 180,062,393
Dividends payable	332,590	291,178
	<u>P 171,892,278</u>	<u>P 180,353,571</u>

The security values of the credit balance of customers' account follows:

	2023		2022	
	Credit Balance	Security Valuation- Long	Credit Balance	Security Valuation- Long
With money balance	P 171,559,688	P 2,953,349,371	P 180,062,393	P 3,028,777,624
Without money balance	-	1,117,018,238	-	1,172,551,557
	P 171,559,688	P 4,070,367,609	P 180,062,393	P 4,201,329,181

Payables to customers are non-interest bearing and are payable within two (2) business days after the consummation of the transactions.

NOTE 18 - PAYABLES TO / RECEIVABLES FROM CLEARING HOUSE

The net balance of this account as at December 31, 2023 and 2022 relates to the trading transactions made on the trading floor of the Philippine Stock Exchange for the last three trading days which

have not yet been cleared. The outstanding balance were net payable to clearing house amounting to ₱440,999 in 2023 and net receivable from clearing house amounting to ₱16,699,430 in 2022.

NOTE 19 - OTHER PAYABLES

This account consists of:

	2023	2022
Accounts payable	₱ 11,136,291	₱ 10,651,269
Accrued expense	2,115,244	2,305,675
	<u>₱ 13,251,535</u>	<u>₱ 12,956,944</u>

Accounts payable includes checks issued to customers for dividends that were not presented to the bank for encashment. These amounts to ₱11,136,291 and ₱10,651,269 in 2023 and 2022, respectively.

Accrued expenses refers to accrual of communication, utilities, association dues and audit fees.

NOTE 20 - OTHER CURRENT LIABILITIES

This account consists of:

	2023	2022
Due to BIR	₱ 280,680	₱ 871,679
Central deposit fee payable	33,509	81,938
Statutory payable	73,587	34,192
Transaction fee payable	16,128	-
	<u>₱ 403,904</u>	<u>₱ 987,809</u>

Due to BIR consists of obligations to Bureau of Internal Revenue such as final taxes, stock transaction taxes, withholding taxes and value added tax.

Statutory payable consists of statutory obligations to government agencies such as Social Security System, Philippine Health Insurance Corporation and Home Development Mutual Fund.

Transaction fee payable refers to the fee to the transfer office for issuance of certificates of stocks
Details of Due to BIR are as follows:

	2023	2022
Stock transaction tax payable	₱ 67,680	₱ 740,337
VAT payable	143,551	56,880
Withholding tax on compensation	10,591	15,000
Withholding tax expanded	58,858	59,462
	<u>₱ 280,680</u>	<u>₱ 871,679</u>

NOTE 21 - EQUITY

Capital Stock

The Company is authorized to issue one hundred million (100,000,00) ordinary shares with par value of one peso (₱ 1.00) per share.

As at December 31, 2023 and 2022, the Company's total subscribed and issued and outstanding capital stock is owned by nine (9) shareholders. Seven (7) shareholders owned more than one hundred (100) shares.

A reconciliation of the outstanding share capital at the beginning and end of 2023 and 2022 is shown below:

2023

	<u>Shares</u>	<u>Amount</u>
Outstanding 12/31/2023	100,000,000	P 100,000,000
Issuance	-	-
Reacquisition	-	-
Outstanding 12/31/2023	<u>100,000,000</u>	<u>P 100,000,000</u>

2022

	<u>Shares</u>	<u>Amount</u>
Outstanding 12/31/2022	100,000,000	P 100,000,000
Issuance	-	-
Reacquisition	-	-
Outstanding 12/31/2022	<u>100,000,000</u>	<u>P 100,000,000</u>

Minimum Capital Requirement

In a meeting held on October 21, 2010, the SEC issued Resolution No. 489 and 492 granting the deferment of the P30,000,000 unimpaired paid-in capital requirement of Trading Participants effective January 1, 2011 until November 30, 2011 provided that Trading Participants with Unimpaired Paid-up Capital falling below P30,000,000 shall post a surety bond amounting to P30,000,000 on top of the surety bond of P12,000,000 in compliance with SRC Rule 28.1 for the same period until securities held and controlled by the Trading Participant shall be recorded under the name of the individual clients in the books of the Transfer Agent or in the sub-account with the Philippine Depository and Trust Corporation at the option of the client. Compliance with the requirement is a condition for the renewal of the Broker Dealer license for the period covering January 1, 2011 to December 31, 2013.

In compliance with Section 2 of D, Article VII of the amended Market Regulation Rules, which was approved by the Securities and Exchange Commission on September 8, 2009, effective November 1, 2009, the surety bond, shall be Ten Million Pesos (P10,000,000) for Brokers and Two Million Pesos (P2,000,000) for Dealers.

Based on SEC Memorandum Circular No. 16 dated November 11, 2004, starting December 1, 2005, every broker dealer is expected to comply with all the requirements of the Risk-Based Capital Adequacy (RBCA) rules. As of December 31, 2005, the RCBA report is prepared based on the guidelines which cover the following risks: (a) position of market risks, (b) credit risks such as counterparty, settlement, large exposure, and margin financing risks, and (c) operation risk.

The Company monitors capital on the basis of RBCA Ratio and Net Liquid Capital (NLC). RBCA requirement is the minimum level of capital that has to be maintained by firms which are licensed, or securing a broker dealer license, taking into consideration the firm size, complexity and business risk. RBC ratio is the quotient of the NLC and the sum of the requirements for operation risk, credit risk, and position or market risk.

NLC, on the other hand, represents the equity eligible for NLC adjusted for non-allowable current and non-current assets as described under the Circular.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Under the guidelines set-out by the SEC, all registered brokers dealers should maintain the following RBCA and NLC requirements:

- A. RBCA ratio of greater than or equal to 1:1;

As at December 31, 2023 and 2022, the Company's RBCA ratio of 12.07 and 3.04, respectively, is in compliance with the minimum capital requirement set out by the RBCA framework.

- B. NLC should be at least ₱5,000,000 or 5% of aggregate indebtedness, whichever is higher;

- C. A dealer who deals only with proprietary shares and does not keep shares in its custody shall maintain a NLC of ₱2,500,000 or 2.5% of aggregate indebtedness, whichever is higher;

- D. No broker dealer shall permit its aggregate indebtedness to exceed 2,000% of its NLC.

The Company's NLC amount to ₱54,632,106 and ₱19,875,143 as of December 31, 2023 and 2022, respectively, which is more than 5% of the Company's aggregate indebtedness. As of December 31, 2023 and 2022, the Company is in compliant with items A to D as prescribed by Securities and Exchange Commission (SEC).

On May 28, 2009, the SEC approved PSE's Rules Governing Trading Rights and Trading Participants which provides among other the following provisions:

- a. Trading participants should have a minimum unimpaired paid-up capital (defined as the trading participant's total paid up capital less any deficiency in the retained earnings account) of ₱20,000,000 effective December 31, 2009, provided further that effective December 31, 2010 and onwards, the minimum unimpaired paid up capital shall be ₱30,000,000; and
- b. Each trading participant shall pledge its trading right to the extent of its full value to secure the payment of all debts and claims due to the trading participant, the government, PSE and to other trading participants of the PSE and to the Securities Clearing Corporation of the Philippines.

On August 8, 2023, the SEC approved amendments to the 2015 Implementing Rules and Regulation of the Securities Regulation Code (the "2015 SRC Rules") and SEC memorandum Circular (MC) No. 16, series of 2004, relative to the settlement cycle from T+3 to T+2.

As at December 31, 2023 and 2022, the Company is in compliance with PSE's Rules Governing Trading Rights and Trading Participants.

Retained Earnings

Appropriation (SRC Rule 49.1 (B) Reserve Fund)

In compliance with SRC Rule 49.1 (B) Reserve Fund, every broker dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfers the same to the appropriated retained earnings. Appropriation shall be 30%, 20%, 10% of profit after tax for broker dealers with unimpaired paid up capital of ₱ 10M to ₱ 30M, ₱ 30M to ₱ 50M and above ₱ 50M, respectively.

In compliance with the above circular, the Company appropriated retained earnings amounting to ₱5,638,746 and ₱5,623,098 in 2023 and 2022, respectively. The company is in compliance with the SRC Rule 49.1(B).

Other Comprehensive Income

The reconciliation of items of other comprehensive income presented in the statements of changes in equity are shown below:

2023	PSE Shares	Short Term Investment	Actuarial Remeasurement	Total
January 01, 2023	₱ 2,141,600	₱ 1,897,436	₱ 2,836,449	₱ 6,875,485
Fair value gain (loss) on FVOCI	2,880,000	1,041,435	(235,975)	3,685,460
Redemption	-	(1,035,593)	-	(1,035,593)
Tax effect	(720,000)	(1,461)	58,994	(662,467)
Other comprehensive income after tax	2,160,000	4,381	(176,981)	1,987,400
December 31, 2023	<u>₱ 4,301,600</u>	<u>₱ 1,901,817</u>	<u>₱ 2,659,468</u>	<u>₱ 8,862,885</u>

2022	PSE Shares	Short Term Investment	Actuarial Remeasurement	Total
January 01, 2022	₱ 12,401,600	₱ 2,838,377	₱ 2,755,041	₱ 17,995,018
Fair value gain (loss) on FVOCI	(13,680,000)	1,166,252	108,544	(12,405,204)
Redemption	-	(2,420,840)	-	(2,420,840)
Tax effect	3,420,000	313,647	(27,136)	3,706,511
Other comprehensive income after tax	(10,260,000)	(940,941)	81,408	(11,119,533)
'December 31, 2022	₱ 2,141,600	₱ 1,897,436	₱ 2,836,449	₱ 6,875,485

NOTE 22 - REVENUES

The Company earns commission income through stocks transactions and tender offer or initial public offering, this amounts to ₱8,531,798 and ₱8,425,611 in 2023 and 2022, respectively.

Details of commission revenue follows:

	2023	2022
Commission on stocks transaction	₱ 8,348,581	₱ 8,043,100
Commission on IPO	183,217	382,511
	<u>₱ 8,531,798</u>	<u>₱ 8,425,611</u>

NOTE 23 - DIRECT COSTS

Details of the Company's direct costs are as follows:

	2023	2022
Salaries and employee benefits	P 3,321,740	P 3,536,860
Stock exchange dues and fees	1,298,227	1,032,302
Commission expense	272,743	370,214
Retirement expense	91,527	131,406
Central depository fees	10,564	9,032
	P 4,994,801	P 5,079,814

NOTE 24 - OPERATING EXPENSES

Details of the Company's operating expenses are as follows:

	2023	2022
Credit losses (Note 31)	P 5,383,717	P -
Transportation and travel	729,534	847,236
Gas and oil	428,399	411,248
Depreciation (Note 13)	390,384	169,093
Rentals	384,000	420,000
Taxes and licenses	329,186	498,420
Fines and penalties	316,609	1,580,272
Postage, telephone and communication	278,037	345,170
Representation and entertainment	253,452	100,475
Management fee	231,466	31,465
Salaries and wages	218,434	-
Repairs and maintenance	209,937	391,674
Professional fees	209,179	353,000
Utilities expense	186,673	521,723
Stationery and office supplies	104,719	109,940
Trainings and seminars	96,650	74,542
Subscriptions and periodicals	84,594	75,758
Donations	42,780	33,540
Advertising and promotion	32,100	-
Bank charges	31,050	18,142
Insurance	3,454	17,888
Directors fee	-	390,000
Miscellaneous expense	196,291	242,971
	P 10,140,645	P 6,632,557

NOTE 25 - OTHER INCOME

Details of the Company's other income are as follows:

	2023	2022
Interest income	P 2,485,031	P 667,612
Recovery from credit losses (Note 8)	-	2,495,065
Miscellaneous Income	183,217	-
	P 2,668,248	P 3,162,677

Details of interest income follows:

	2023	2022
Interest from time deposits (Note 6)	P 1,446,627	P 276,529
Interest from bank deposits (Note 6)	1,038,404	391,083
	<u>P 2,485,031</u>	<u>P 667,612</u>

NOTE 26 - DEPRECIATION AND EMPLOYEE BENEFITS

Depreciation and employee benefits were presented as follows:

2023

	Direct Costs	Operating Expenses	Total
Depreciation (Note 13)	P -	P 390,384	P 390,384
Employee benefits*	3,321,740	-	3,321,740

*Employee benefits includes salaries and wages and benefits and retirement expense

2022

	Direct Costs	Operating Expenses	Total
Depreciation (Note 13)	P -	P 169,093	P 169,093
Employee benefits*	3,668,266	-	3,668,266

*Employee benefits includes salaries and wages and benefits and retirement expense

NOTE 27 - EMPLOYEE'S COMPENSATION AND OTHER BENEFITS

Salaries and Employee Benefits Expense

Salaries and employee benefits are presented below (Note 23 and 24).

	2023	2022
Short-term employee benefits	P 3,114,979	P 3,536,860
Post-employment benefit	206,761	131,406
	<u>P 3,321,740</u>	<u>P 3,668,266</u>

Post-employment Defined Benefit Plan

(a) Characteristics of the Defined Benefit Plan

The Company maintains a funded, non-contributory and of the final salary defined benefit type post-employment benefit plan that is being administered by a trustee bank that is legally separated from the Company. The trustee bank is responsible for the general administration of the Retirement Plan and management of the Retirement Fund. The Retirement Plan Trustee may seek the advice and appoint investment manager or managers to manage the Retirement Fund, as independent accountant to audit the Fund and an actuary to value the Retirement Fund. The post-employment plan covers all regular full-time employees.

The normal retirement age is 60 with a minimum of 15 years of credited service. The benefits are based on fifty percent to one hundred percent of plan salary for every year of credited service as determined by the external actuary.

(b) *Explanation of Amounts Presented in the Financial Statements*

The valuation results are based on the employees dated as of the valuations dates. The discount rate assumption is based on the PDEx (PDST-R2) market yields on benchmark government bonds for the prior years' valuations and the Bankers Association of the Philippines (BAP) PHP Bloomberg BVAL Reference Rates (BVAL) benchmark reference curve for the government securities market for the current valuation, all as of the valuation dates (or latest available) and considering the average years of remaining working life of the employees as the estimated term of the benefit obligation. All amounts presented below and in the succeeding pages are based on the actuarial valuation report obtained from an independent actuary.

The amounts of post-employment defined benefit obligation recognized in the statements of financial position are determined as follows:

	2023	2022
Present value of retirement liability	P 4,046,023	P 3,564,564
Fair value of plan assets	4,790,421	4,636,464
	<u>P (744,398)</u>	<u>P (1,071,900)</u>

The movements in the present value of the post-employment defined benefit obligation recognized in the books is shown below.

	2023	2022
Balance at beginning of year	P 3,564,564	P 3,503,918
Current service cost	168,918	187,130
Past service cost	-	-
Actuarial losses (gains)		
Due to changes in financial assumptions	181,607	(365,549)
Benefits paid	-	-
Due to change in experience	(126,428)	60,716
Interest cost	257,362	178,349
Balance at end of year	<u>P 4,046,023</u>	<u>P 3,564,564</u>

The breakdown of fair value plan assets follows:

	2023	2022
Balance at beginning of year	P 4,636,464	P 4,598,680
Interest income	334,753	234,073
Benefits paid	-	-
Remeasurement loss	(180,796)	(196,289)
Balance at end of year	<u>P 4,790,421</u>	<u>P 4,636,464</u>

The components of amounts recognized in profit or loss and in other comprehensive income in respect of the defined benefit post-employment plan are as follows:

	2023	2022
<i>Reported in Profit or Loss</i>		
Current service cost	P 168,918	P 187,130
Past service cost	-	-
Net interest cost	(77,391)	(55,724)
	<u>P 91,527</u>	<u>P 131,406</u>

Reported in Other Comprehensive Income

Actuarial (losses) gains		
Due to changes in financial assumptions	P (181,607)	P 365,549

Due to change in experience	126,428	(60,716)
Remeasurement (loss) gain on plan asset	(180,796)	(196,289)
	<u>P (235,975)</u>	<u>P 108,544</u>

Amounts recognized in other comprehensive income were included within items that will not be reclassified subsequently to profit or loss.

In determining the amounts of the defined benefit post-employment obligation, the following significant actuarial assumptions were used:

	2023	2022
Discount rate	6.09%	5.09%
Future salary increase rate	5.00%	5.00%

The average remaining working lives of an individual retiring at the age of 60 is 18.73 for males and 18.73 for females. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of a zero coupon government bonds with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

There are no unusual or significant risks to which the Retirement Obligation exposes the Company. However, it should be noted that in the event a benefit claim arises under the Retirement Obligation, the benefit shall immediately be due and payable from the Company.

The retirement benefit obligation is subject to several key assumptions. Below is the sensitivity analysis which has been determined based on reasonably possible changes of each significant assumption on the retirement benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

	2023	2022
Discount Rate:		
(Actual + 5.00%)	P 3,960,453	P 3,498,699
(Actual - 5.00%)	4,141,082	3,636,978
Salary Increase Rate:		
(Actual + 1.00%)	4,236,820	3,710,265
(Actual - 1.00%)	3,888,832	3,442,174

NOTE 28 - INCOME TAXES

Income tax expense (benefit) for the years ended December 31 consists of:

	2023	2022
Current tax expense		
RCIT	P -	P 236,352
Deferred tax expense (income) arising from:		
Temporary differences	(1,569,238)	578,609
Income Tax Expense (Benefit)	<u>P (1,569,238)</u>	<u>P 814,961</u>

Reconciliation between statutory tax and effective tax follows:

	2023	2022
Income (loss) tax at statutory rate	P (353,189)	P 735,275
Tax effect of income subject to final tax	(621,258)	(166,903)
Tax effect of dividend income exempt from income tax	(673,943)	(753,689)
Tax effect of non-deductible penalties	79,152	395,068
Tax effect of realized gain on redemption	-	605,210
Income tax at effective rate	P (1,569,238)	P 814,961

Analysis of prepaid income tax follows:

	2023	2022
Regular Corporate Income Tax:		
Income (loss) before tax	P (1,412,754)	P 2,941,101
Permanent differences:		
Interest Income subjected to final tax	(2,485,031)	(667,612)
Dividend income	(2,695,773)	(3,014,756)
Fines and penalties	316,609	1,580,272
Temporary differences:		
Unrealized loss on FVPL	218,579	49,223
Provision (recovery) of provision for credit losses	5,383,717	(2,495,065)
Retirement benefits	91,527	131,406
Realized gain on redemption of short-term investment	-	2,420,840
Taxable income	(583,126)	945,409
Tax rate	25%	25%
Current tax expense	P (145,782)	P 236,352
Minimum Corporate Income Tax:		
Taxable gross income	P 3,811,741	P 3,477,203
Tax rate	1.5%	1%
	P 57,176	P 34,772
Tax due (Higher of RCIT or MCIT)	P 57,176	P 236,352
Less:		
Prepaid income tax	(491,248)	(94,018)
Creditable withholding tax	(7,546)	(65,615)
1st-3rd Quarters income tax payments	-	(567,967)
Prepaid income tax	P (441,618)	P (491,248)

The net deferred tax assets (liabilities) pertain to the following as of December 31, 2023 and 2022 and the related deferred tax expense (income) for the years ended December 31, 2023 and 2022:

	Statements of Comprehensive Income					
	Statements of Financial Position		Profit or Loss		Other Comprehensive	
	2023	2022	2023	2022	2023	2022
Actuarial (gain) loss on retirement plan asset	P (136,483)	P (195,477)	P -	P -	P 58,994	P (27,136)
NOLCO	145,782	-	145,782	-	-	-
MCIT	57,176	-	57,176	-	-	-
Retirement benefit obligation	92,647	69,765	22,882	32,852	-	-
Provision for credit losses	20,933,897	19,587,968	1,345,929	(623,766)	-	-
Unrealized (gain) loss on PSE shares	(1,498,400)	(778,400)	-	-	(720,000)	3,420,000
Unrealized (gain) loss on money market	(679,834)	(678,373)	-	-	(1,461)	313,647
Unrealized (gain) loss on FVPL	113,957	59,312	54,645	12,305	-	-
Net deferred tax assets (liabilities)	<u>P 19,028,742</u>	<u>P 18,064,795</u>				
Deferred tax expense (income)			<u>P 1,626,414</u>	<u>P (578,609)</u>	<u>P (662,467)</u>	<u>P 3,706,511</u>

Deferred tax asset from NOLCO, arises from the taxable loss that can be charged against income of the next three taxable years except for NOLCO incurred for the year 2020 and 2021. Pursuant to Section 4 (bbbb) of Bayanihan II and as implemented under RR No. 25-2020, the net operating loss of a business or enterprise incurred for the taxable years 2020 and 2021 can be carried over as deduction from gross income for the next five (5) consecutive taxable years following the year of such loss.

Details of NOLCO is as follows:

Date Incurred	Date of Expiration	Amount	Applied	Expired	Balance
2023	2026	<u>P 583,126</u>	<u>P -</u>	<u>P -</u>	<u>P 583,126</u>

The Minimum Corporate Income Tax (MCIT) was reduced to one percent (1%) on July 1, 2020 until June 30, 2023 pursuant to Revenue Regulation 5-2021, on July 1, 2023, the Minimum Corporate Income Tax (MCIT) was reverted back to two percent (2%).

Details of MCIT is as follows:

Date Incurred	Date of Expiration	Amount	Applied	Expired	Balance
2023	2026	<u>P 57,176</u>	<u>P -</u>	<u>P -</u>	<u>P 57,176</u>

NOTE 29 - RELATED PARTY TRANSACTIONS

The Company's related parties include its affiliates and shareholders, the Company's key management personnel and others as described below.

A summary of the transactions and account balances with related parties follows:

2023

Nature of Relationship	Nature of Transaction	Amount (current transaction)	Outstanding balance	Terms	Conditions
Shareholders and Officers	Buying	P 10,274,352	P 6,727,754		
	Selling	11,398,799	9,016,863	(2)	(4)
	Advances from	-	24,601,051	(1)	(3)
(1) Non-interest bearing, payable in cash, no schedule repayments terms					
(2) Non-interest bearing, payable in cash, T+2					
(3) Unsecured					
(4) Secured by equity securities					

2022

Nature of Relationship	Nature of Transaction	Amount (current transaction)	Outstanding balance	Terms	Conditions
Shareholders and Officers	Buying	P 13,369,473	P 7,085,490		
	Selling	7,006,972	9,798,465	(2)	(4)
	Advances from	-	24,601,051	(1)	(3)
(1) Non-interest bearing, payable in cash, no schedule repayments terms					
(2) Non-interest bearing, payable in cash, T+3					
(3) Unsecured					
(4) Secured by equity securities					

Cash Advances

The Company obtains advances from shareholders and affiliates for working capital purposes. Outstanding balance of advances from related parties are presented in Advances from related parties account in the statements of financial position.

Buying and Selling Transaction

In the ordinary course of business, the Company acts as broker to certain shareholders. Under the Company's policy, these transactions are made substantially on the same terms as with other businesses of comparable risks. Outstanding balances from these transactions are presented as part of Receivable from Customers (Payable to Customers) in the statements of financial position.

Key Management Compensation

The compensation given by the Company to key management personnel as at December 31, 2023 and 2022 consist of the following:

	2023	2022
Short-term employee benefits	P 1,554,844	P 2,554,840
Director's fee	-	390,000
	P 1,554,844	P 2,944,840

NOTE 30 - LEASE AGREEMENTS

The Company has leases for a trading booth and office space under operating lease.

Details of these agreements are as follows:

Lessor	Lease Period
The Philippine Stock Exchange, Inc.	February 19, 2022 to June 18, 2022
Grandhill Corporation	January 1, 2022 to December 31, 2022
Grandhill Corporation	January 1, 2023 to December 31, 2023

The Company has elected not to recognize a lease liability for short-term leases. Payments made under such leases are expensed on a straight-line basis. Lease payments recognized as expense amounts to ₱384,000 and ₱420,000 in 2023 and 2022, respectively.

NOTE 31 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated with the Board of Directors, and focuses on actively securing the Company's short-to-medium term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's business activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The most significant financial risks to which the Company is exposed to are described below:

Market Risk

The Company is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, interest rate risk and certain other price risk which result from both its operating, investing and financing activities.

A. Foreign Currency Risk

All transactions of the Company are denominated in Philippine peso, its functional currency. Thus, the Company has no exposure to foreign currency risk as at December 31, 2023 and 2022.

B. Price Risk

The Company's market price risk arises from its investments carried at fair value (i.e., financial assets classified as financial assets at FVPL). The Company manages exposures to price risk by monitoring the changes in the market price of the investments and at some extent, diversifying the investment portfolio in accordance with the limit set by management.

For listed equity securities, an average volatility of 14% and 21% has been observed during 2023 and 2022, respectively. The table below summarizes the sensitivity of the Company profit before tax to the observed volatility rates of the fair values.

Observed Volatility Rates	2023		2022	
	+14%	-14%	+21%	-21%
Profit before tax	₱ 146,280	(146,280)	₱ 318,462	₱ (318,462)

The assumed price volatilities used in the sensitivity analysis represent the defined shift used by the Company to manage price risk based on the historical performance of equity securities in the past 12 months.

C. Interest Rate Risk

The Company's exposure to the risk for changes in interest rates relates primarily to the Company's bank accounts. As at December 31, 2023 and 2022, these amounted to ₱199,383,165 and ₱178,209,990, respectively. The Company's exposure to changes in interest rates is not significant.

Credit Risk

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments arising from selling services to customers including related parties and placing deposits with banks.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties. In addition, for a significant proportion of sales, advance payments are received to mitigate credit risk. Accordingly, the Company's exposure to bad debts is not significant.

With respect to credit risk arising from other financial assets of the Company, which comprise cash and cash equivalents and refundable deposits, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Company limits its exposure to credit risks by depositing its cash only with financial institutions duly evaluated and approved by the BOD. The Company's exposure on rental deposit is minimal since no default in payments were made by the counterparties.

The Company's receivable from customers related to unsecured and partially secured account is actively monitored to avoid significant concentrations of credit risk. A substantial portion of the Company's receivable from customers is secured by shares of stocks listed and traded in the PSE and lodged with Philippine Depository and Trust Corporation (PDTC) under the account of the Company.

The table below is an analysis of receivables from customers is as follows:

2023 (Based on the New RBCA Template)

	Balance	Collateral (net of haircut)	Counterparty exposure (after collateral)	Allowance for credit losses	Net exposure
T to T+1 of counterparty	₱ 4,445,881	₱ 123,729,452	₱ (119,283,572)	₱ -	₱ -
T+2 to T+12 of counterparty	3,542,999	64,616,288	(61,073,289)	70,860	-
T+13 to T+30 of counterparty	2,972,673	38,760,254	(35,787,581)	940,591	-
Beyond T+ of counterparty	117,454,867	134,524,406	(17,069,538)	77,663,171	-
	<u>₱ 128,416,420</u>	<u>₱ 361,630,400</u>	<u>₱ (233,213,980)</u>	<u>₱ 78,674,622</u>	<u>₱ -</u>

2022

	Balance	Collateral (net of haircut)	Counterparty exposure (after collateral)	Allowance for credit losses	Net exposure
T to T+2 of counterparty	P 1,285,472	P 58,143,731	P (56,858,259)	P -	P -
T+3 to T+13 of counterparty	3,007,333	5,073,146	(2,065,813)	60,841	-
Beyond T+13 of counterparty	120,220,800	80,372,755	39,848,045	73,230,064	-
	<u>P 124,513,605</u>	<u>P 143,589,632</u>	<u>P (19,076,027)</u>	<u>P 73,290,905</u>	<u>P -</u>

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Company trades only with recognized and creditworthy third parties. It is the Company's policy that all customers are subject to credit verification procedures.

In respect of receivable from customers and clearing house and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the statements of financial position.

None of the Company's financial assets are secured by collateral or other credit enhancements, except for cash as described below.

(a) Cash and Short-term investment

The credit risk for cash is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the cash are cash in banks which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P500,000 for every depositor per banking institution.

(b) Receivables from Customers

The Company trades only with recognized and credit worthy third parties. In accordance with RBCA requirements, limits are imposed to avoid large exposures to a single client or counterparty, single debt issue and single equity issue relative to a particular issuer company and its group of companies. As a result, maximum credit risk, without taking into account the fair value of any collateral and netting agreements, is limited to the amounts in the statements of financial position.

A substantial portion of the Company's Receivable from Customers is secured by shares of stocks (Note 8).

The Company applies the provision of SRC Rules 52.1.11 and Risk Based Capital Adequacy in measuring Credit Losses.

For year 2022 (before issuance of SEC Memorandum Circular No. 11, Series of 2023)

To measure the credit losses, receivables were classified based on the provision of SRC Rule No. 52.1.11.2 as follows:

Classification

T+0 to T+2
T+3 to T+13
T+14 to T+30
T+31 up

The credit loss rates are based on the provision of SRC Rule No. 52.1.11.3 as follows:

<u>Classification</u>	<u>Provision</u>	<u>Base</u>
T+0 to T+0 to T+2	0	Total Receivables (TR)
T+3 to T+3 to T+13	2%	TR
T+14 to T+14 to T+30	50%	TR less collateral (net of haircut)
T+31 up	100%	TR less collateral (net of haircut)

For year 2023 (after issuance of SEC Memorandum Circular No. 11, Series of 2023)

To measure the credit losses, receivables were classified based on the provision of SRC Rule No. 52.1.11.2 as follows:

Classification

T+0 to T+1
T+2 to T+12
T+13 to T+30
T+31 up

The credit loss rates are based on the provision of SRC Rule No. 52.1.11.3 as follows:

<u>Classification</u>	<u>Provision</u>	<u>Base</u>
T+0 to T+0 to T+1	0	Total Receivables (TR)
T+2 to T+2 to T+12	2%	TR
T+13 to T+13 to T+30	50%	TR less collateral (net of haircut)
T+31 up	100%	TR less collateral (net of haircut)

The credit loss were computed by getting, for each doubtful account an amount equivalent to the provision of the amount outstanding net of collateral (net of haircut). Basis for the computation would be the individual accounts.

(c) Other receivables

The credit risk for refundable deposits are considered negligible and therefore the loss allowance is to be determined using the general approach. The amount of ECL is not significant due to the fact that the collectability of contractual cash flows expected from these financial instruments is reasonably assured.

(d) *Refundable deposit*

The credit risk for refundable deposits are considered negligible and therefore the loss allowance is to be determined using the general approach. The amount of ECL is not significant due to the fact that the collectability of contractual cash flows expected from these financial instruments is reasonably assured.

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 obligation when they come due without recurring unacceptable losses or costs.

The Company manages its liquidity needs by carefully monitoring cash inflows and cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are normally invested in short-term placements. Funding for long-term liquidity needs could be sourced through available credit facilities.

Company's payable to customers are normally settled within two (2) days. Other payables are normally settled within one (1) year after reporting date.

The following table presents the maturity profile of the Company's financial liabilities as at December 31, 2023 and 2022 based on contractual undiscounted payments.

	December 31, 2023				
	Within 3 months	3 months to 6 months	6 months to 1 year	3 to 5 years	Total
Payable to customers	P 23,175,500	P 148,716,778	P -	P -	P 171,892,278
Other payables	13,251,535	-	-	-	13,251,535
Advances from related parties	24,601,051	-	-	-	24,601,051
	<u>P 61,028,086</u>	<u>P 148,716,778</u>	<u>P -</u>	<u>P -</u>	<u>P 209,744,864</u>

	December 31, 2022				
	Within 3 months	3 months to 6 months	6 months to 1 year	3 to 5 years	Total
Payable to customers	P 36,093,947	P 144,259,624	P -	P -	P 180,353,571
Other payables	12,956,944	-	-	-	12,956,944
Advances from related parties	24,601,051	-	-	-	24,601,051
	<u>P 73,651,942</u>	<u>P 144,259,624</u>	<u>P -</u>	<u>P -</u>	<u>P 217,911,566</u>

NOTE 32 - CAPITAL MANAGEMENT

The Company's objective in managing capital is to ensure that a stable capital base is maintained in accordance with industry regulations while maintaining investor, creditor, and market confidence to sustain the future development of the business.

The Company's BOD has the overall responsibility for monitoring capital proportion to risks. The Associated Person designated by the Company monitors compliance with minimum capital requirements imposed by PSE and SEC.

The Company, being a broker/dealer in securities, is regulated by PSE and SEC and subject to the following capital requirement in accordance with the Securities Regulatory Commission (SRC).

Risk Based Capital Adequacy Requirement

Based on SEC Memorandum Circular No. 16, the Company is required an RBCA ratio of greater than or equal to 1:1. The RBCA ratio is computed by dividing Company's Net Liquid Capital (NLC) to its Total Risk Capital Requirement (TRCR). TRCR is the sum of: a) Operational Risk Requirement (ORR); b) Credit Risk Requirement which include requirements for Counterparty Risk, Settlement Risk, Large Exposure Risk, and Margin Lending/Financing Risk; and c) Position or Market Risk Requirement.

The Company's RBCA ratio as at years ended December 31, 2023 and 2022 are 1,086% and 304%, respectively.

Details of computation of the Company's Risk Based Capital Adequacy Ratio are shown below:

	2023	2022
Net liquid capital		
Equity eligible for net liquid capital	P 106,659,883	P 107,094,217
Ineligible assets	52,027,777	87,219,074
	<u>54,632,106</u>	<u>19,875,143</u>
Risk capital requirements		
Operational risk requirement	P 3,096,816	P 3,600,626
Position risk requirement	365,701	504,371
Counterparty risk	1,064,512	2,433,469
Total	<u>P 4,527,029</u>	<u>P 6,538,466</u>
Risk based capital adequacy ratio	<u>1,207%</u>	<u>304%</u>

Net Liquid Capital

The Company is required, at all times, to have and maintain a Net Liquid Capital (NLC) of five million (P 5M) or 5% of its Aggregate Indebtedness (AI), whichever is higher.

In computing for NLC, all non-allowable asset/equities, and collateralized liabilities will be deducted and allowable liabilities and equities are added to equity per books.

Details of Company NLC as of years ended December 31, 2023 and 2022 are shown below:

	2023	2022
Net liquid capital	P 54,632,106	P 19,875,143
Less: Required net liquid capital, higher of:		
5% aggregate indebtedness	10,529,488	10,925,243
Minimum amount	5,000,000	5,000,000
Required net liquid capital	<u>10,529,488</u>	<u>10,925,243</u>
Net risk based capital excess	<u>P 44,102,618</u>	<u>P 8,949,900</u>
Ratio of aggregate indebtedness to net liquid capital	<u>385%</u>	<u>1,099%</u>

Total Risk Capital Requirement

Detail of TRCR follows:

A. Operational Risk

It is the exposure that is 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 of failed internal process, people and systems which include, among others, risk if fraud, operational or settlement failure and shortage of liquid resources, or from external events.

Below is the manual computation of operational risk requirement for the last three years:

Revenue	2022	2021	2020	Average
Commission revenue	P 8,425,611	P 16,482,682	P 13,464,041	P 12,790,778
Interest income	667,612	713,029	910,151	763,597
Net Recovery from market decline of Marketable Securities Owned			109,850	36,617
Rent income	-	-	-	-
Dividend income	3,104,756	2,169,238	45,130	1,743,041
Gain on Sale of Marketable Securities	-	-	-	-
Gain on Sale of other Assets	-	-	-	-
Other income/revenue			450,138	150,046
Average of the last three year gross income	12,107,979	19,364,949	14,979,310	15,484,079
Operational risk factor				20%
Total operational risk requirement				P 3,096,816

The Company's Core Equity should, at all times, be greater than its Operational Risk Requirement. Core Equity refers to the sum of paid-up common stock, common stock dividends distributable, additional paid-in capital, surplus reserves excluding revaluation reserves or appraisal capital, and opening retained earnings adjusted for all current year movements. Core Equity shall exclude treasury shares and unbooked valuation reserves and other capital adjustments (such as unrealized gain in value of FVOCI securities).

The Company has no operational risk exposure since its Core Equity is greater than the operational risk requirement as calculated.

B. Position/Price Risk

The Company is exposed to equity security price risk because of investments held and classified in Fair Value through Profit or Loss. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the management.

Below is the manual computation of position risk requirement as of the years December 31, 2023 and 2022:

2023

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	P -	25%	-
Other equities outside the PHISIX	1,044,859	35%	365,701
FX Position	-	100%	-
	P 1,044,859		3695,701

2022

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	P 264,000	25.00%	P 66,000
Other equities outside the PHISIX	1,252,487	35.00%	438,371
FX Position	-	8.00%	-
	P 1,516,487	-	P 504,371

C. Large Exposure Risk

It is a risk to which a broker dealer is exposed to a single equity security or single issuer group. This is the maximum permissible large exposure and calculated as a percentage of core equity.

The Company does not have any exposure to single client or counterparty and direct exposure to debt for fixed income securities, and direct exposure to a single equity relative to a particular issuer company and its group of companies as the Company does not exceed to maximum Large Exposure Risk Limit of 30% of its Core Equity.

D. Counterparty Risk Exposure

Unsettled customer trades (arising from customer-to-broker agency relationship)- A counterparty exposure of this kind occurs when a) the customer poses the possible risk of failing to deliver securities on a sell contract or b) the customer poses the possible risk of failing to pay cash on a buy contract.

Unsettled principal trades (arising from broker-to-broker or broker-to-exchange/clearing agency relationships). A counterparty exposure risk of this kind occurs when a) the broker dealer poses the possible risk of failing receive cash from its counterparty on a sell contract or b) the broker dealer poses the possible risk of failing to receive the securities from its counterparty on a buy contract. Debts/loans, contra losses and other amounts due- A broker dealer has a counterparty exposure if a debt/loan, receivable from a customer/client, contra loss, or any other amount due is not paid on its agreed due date. In the case of a contra loss, the due date shall be the date of the contra.

As at December 31, 2023 and 2022, the Company has counterparty exposures amounting to P1,064,512 and P2,433,469 on unsettled customer trades arising from customer-to-broker agency relationship, broker to broker relationship, and counterparty exposure on unpaid debt/loans, contra losses and other amounts due on its agreed due date.

As at December 31, 2023 and 2022, the Company is in compliance with Risk Based Capital Adequacy Requirement.

NOTE 33 - FAIR VALUE MEASUREMENT

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under the current market condition regardless of whether the price is directly observable or estimated using another valuation technique.

The following table presents the carrying amounts and fair values of the Company's assets and liabilities measured at fair value and for which fair values are disclosed, and the corresponding fair value hierarchy:

		2023				
		Fair Value				
	Notes	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Assets measured at fair value:						
Financial asset at FVPL	7	P 1,044,859	P 1,044,859	P -	P -	
Assets for which fair values are disclosed:						
Cash	6	199,384,665	-	199,384,665	-	
Receivables from customers	8	49,741,798	-	49,741,798	-	
Other receivables	9	9,688	-	9,688	-	
Short term investment	10	26,237,729	-	26,237,729	-	
Other non-current assets	16	3,314,264	-	3,314,264	-	
Investment property	14	55,000	-	55,000	-	
		P 279,788,003	P 1,044,859	P 278,743,144	P -	
Liabilities for which fair values are disclosed:						
Payable to customers	17	P 171,892,278	P -	P 171,892,278	P -	
Payable from clearing house	18	440,999	-	440,999	-	
Other payables	19	13,251,535	-	13,251,535	-	
Advances from related parties	29	24,601,051	-	24,601,051	-	
		P 210,185,863	P -	P 210,185,863	P -	
2022						
		Fair Value				
	Notes	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Assets measured at fair value:						
Financial asset at FVPL	7	P 1,516,487	P 1,516,487	P -	P -	
Assets for which fair values are disclosed:						
Cash	6	178,211,490	-	178,211,490	-	
Receivables from customers	8	51,222,700	-	51,222,700	-	
Receivables from clearing house	18	16,699,430	-	16,699,430	-	
Other receivables	9	1,559,688	-	1,559,688	-	
Short term investment	10	35,439,193	-	35,439,193	-	
Refundable deposit	16	3,266,417	-	3,266,417	-	
Investment property	14	55,000	-	-	55,000	
		P 287,970,405	P 1,516,487	P 287,915,405	P 55,000	

Liabilities for which fair values are disclosed:						
Payable to customers	17	P	180,353,571	P	-	P 180,353,571 P -
Other payables	19		12,956,944		-	12,956,944 -
Advances from related parties	29		24,601,051		-	24,601,051 -
		P	217,911,566	P		P 217,911,566 P

Offsetting of Financial Assets and Financial Liabilities

The following financial assets and financial liabilities with net amount presented in the statements of financial position are subject to offsetting, enforceable matter netting arrangements and similar arrangements:

	Gross amounts recognized in the statements of financial position		Net amount presented in statement of financial position
	Financial assets	Financial Liabilities	
December 31, 2023			
Payable to clearing house	P 6,982,861	7,423,860	(440,999)
December 31, 2022			
Receivable from clearing house	P 22,251,569	P 5,552,139	P 16,699,430

NOTE 34 - RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below is the reconciliation of the Company's liabilities arising from financing activities, which includes both cash and non-cash changes.

2023

	Advances from related parties
Balance as of January 1, 2023	P 24,601,051
Cash flow from Financing Activities:	-
Additional Borrowing	-
Repayment of Borrowing	-
Balance, December 31, 2023	P 24,601,051

2022

	Advances from related parties
Balance as of January 1, 2022	P 24,601,051
Cash flow from Financing Activities:	-
Additional Borrowing	-
Repayment of Borrowing	-
Balance, December 31, 2022	P 24,601,051

NOTE 35 - SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

Presented below and in the succeeding pages is the supplementary information which is required by the Bureau of Internal Revenue (BIR) under Revenue Regulation (RR) No. 15-2010 and 34-2020 to disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS.

The information on taxes, duties and license fees paid or accrued during the taxable year required under RR No. 15-2010 are presented below and in the succeeding pages.

Revenue Regulation 15-2010

a) Output VAT

In 2023 the Company declared output VAT as follows:

	Tax Base	Output VAT
Taxable Sales (Commission Revenue)	₱ 8,715,048	₱ 1,045,806

The tax bases are included as part of Revenue in the 2023 statements of comprehensive income.

b) Input VAT

Movement in input VAT for the year ended December 31, 2023 follow:

	Purchases	Input VAT
Balance, beginning of year	₱ -	₱ -
Domestic purchase of:		
Amortization of input from capital goods	-	38,143
Goods other than capital goods	9,777	1,173
Domestic purchases of services	2,122,448	254,694
Total available Input VAT		294,010
Application against VAT payable		(294,010)
Balance, end of the year		₱ -

c) Taxes and Licenses

The details of Taxes and Licenses presented under operating expenses ion the statement of comprehensive income (Note 24) are broken down as follows:

	Amount
Business permit and licenses	₱ 302,677
Real property tax (Note 15)	26,009
Registration fee	500
	₱ 329,186

The amounts of taxes and licenses shown above are included under the operating expenses in the statements of comprehensive income.

d) Withholding Taxes

The details of total withholding taxes for the year ended December 31, 2023 are shown below.

	<u>Amount</u>
Withholding tax at source (expanded)	₱ 86,849
Withholding tax on compensation	128,141
	<u>₱ 214,990</u>

e) Tax Assessments and Cases

The Company has no outstanding Letter of Authority from the Bureau of Internal Revenue as of the reporting date.

f) Related party transaction

The Company is not covered under Section 2 of the Revenue Regulation 34-2021 requirements and procedures for related party transaction, including filing of BIR Form 1709, Information Return on its Transactions with Related Party.

SCHEDULE I

**ANSALDO, GODINEZ & CO., INC.
STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
FOR THE YEAR ENDED DECEMBER 31, 2023**

The Company has no subordinated liabilities as of December 31, 2023

SCHEDULE II

ANSALDO, GODINEZ & CO., INC.
RISK BASED-CAPITAL ADEQUACY WORKSHEET PURSUANT TO
SEC MEMORANDUM CIRCULAR NO. 16, AS AMENDED, THROUGH SEC
MEMORANDUM CIRCULAR NO. 11, SERIES OF 2023
DECEMBER 31, 2023

Assets	349,770,711
Liabilities	212,904,484
Equity as per books	136,866,227
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	
Deferred Income Tax	(21,343,459)
Revaluation Reserves	(8,862,885)
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to Equity per books	(30,206,344)
Equity Eligible For Net Liquid Capital	106,659,883
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	5,000,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	1,499,268
d. Prepayment from client for Early Settlement of Account	59,898
f. All Other Current Assets	9,688
f. Securities Not Readily Marketable	
g. Negative Exposure (SCCP)	9,577
h. Notes Receivable (non-trade related)	
i. Interest and Dividends Receivables outstanding for more than 30 days	
j. Ineligible Insurance claims	
k. Ineligible Deposits	
l. Short Security Differences	
m. Long Security Differences not resolved prior to sale	
n. Other Assets including Equity Investment in PSE	45,449,346
Total ineligible assets	52,027,777
Net Liquid Capital (NLC)	54,632,106
Less:	
Operational Risk Requirement	3,096,816
Position Risk Requirement	365,701
Counterparty Risk	1,064,512
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)	4,527,029
Net RBCA Margin (NLC-TRCR)	50,105,077
Liabilities	212,904,484
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	2,314,717
Total adjustments to AI	(2,314,717)
Aggregate Indebtedness	210,589,767
5% of Aggregate Indebtedness	10,529,488
Required Net Liquid Capital (> of 5% of AI or PSM)	10,529,488
Net Risk-based Capital Excess / (Deficiency)	44,102,618
Ratio of AI to Net Liquid Capital	385%
RBCA Ratio (NLC / TRCR)	1207%

SCHEDULE III

ANSALDO, GODINEZ & CO., INC.
INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS
UNDER APPENDIX F OF SRC RULE 49.2.1
FOR THE YEAR ENDED DECEMBER 31, 2023

1. Customers' fully paid securities and excess margin securities not in the broker's or dealers' 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 actions was not taken by respondent within the time frame specified under SRC Rule 49.2-1:

Market Valuation ₱ -nil-

Numer of items ₱ -nil-

2. 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 ₱ -nil-

Numer of items ₱ -nil-

SCHEDULE IV

ANSALDO, GODINEZ & CO., INC.
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER SRC RULE 49.2
DECEMBER 31, 2023

Particulars	Credits	Debits
1. Free credit balances and other credit balance in customers' security accounts.	181,088,162	
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.	2,095,711	
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.		64,025,054
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to deliver.		
12. Failed to deliver customers' securities not older than 30 calendar days.		1,713,111
13. Others:		
Total	183,183,872	65,738,166
Net Credit (Debit)	117,445,707	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	117,445,707	

ANSALDO, GODINEZ & CO., INC.
RESERVE FORMULA WORKSHEET
December 31, 2023

1 . Free Credit balances and Other Credit Balances in Customer Securities Accounts	
Unadjusted trial balance amount	171,381,622
A . Additions:	
1. Bank Account Overdrafts/1	
2. Credit balances in customer omnibus accounts	-
3. Any other customer credit balance not accounted for elsewhere (explain nature) DIVIDENDS PAYABLE-CUSTOMERS ACCOUNTS PAYABLE	280,940 11,089,623
Subtotal	11,370,563.76
B . Deductions:	
1. Credit Balances in the accounts of non customers such as general partners and principal officers	1,664,024
2. Credit balances in customers' cash accounts arising from the sale of a security not delivered if the securities are purchased by the broker-dealer for its own account and have not been resold	
Subtotal	1,664,024
Adjusted total line item #1	181,088,162
2 . Monies Borrowed Collateralized by Securities carried for the Accounts of Customers	
Unadjusted trial balance amount customer loan	
Unadjusted trial balance amount commingled loan/2	
Adjusted total line item #2	-
3 . Monies Payable Against Securities Loaned	
Unadjusted trial balance amount	
A . Additions:	
1. The amount by which the market value of customers securities loaned exceed the collateral value received from lending os such securities	
Adjusted total line item #3	-
4 . Customer Securities Failed to Receive (as Determined by Allocation or Specific Identification)	
Unadjusted Balance:	
A . Additions:	
1. The amount by which the market value by which fails to receive outstanding for more than 34 calendar days exceed their contract value/3	
2. Clearing Accounts with net credit balances attributable to customers transactions. (Clearing Corporations)	2,095,711
3. Unsecured customer short positions which allocate to customer long positions/4	
4. Any other credit not accounted for elsewhere in the formula	
Subtotal	2,095,711
Adjusted total line item #4	2,095,711
5 . Credit balances in Firm Accounts which are Attributable to Principal Sales to Customers/5	
6 . Market Value of Stock Dividends and Splits Outstanding Over 30 Calendar days / 5 / 6	
7 . Market Value of Short Security Count Differences over 30 calendar days old (not to be offset by long count differences)	
8 . Market Value of Short Securities and Credits (not to be offset by loans or debits) in all Suspense Accounts over 30 calendar days old	
1. Credit Balances Only	
2. Security Positions Only / 5	

ANSALDO, GODINEZ & CO., INC.
RESERVE FORMULA WORKSHEET
December 31, 2023

3. Security Positions with Related Balances / 5 / 7	
Adjusted total line item #8	-
9 . Market Value of Securities in Transfer in Excess of 40 Calendar Days which have not been confirmed to be in transfer by the Transfer Agent of the issuer during 40 days	
Aggregate Credit Items	183,183,872
10 . Debit Balances in customers' cash and margin accounts excluding Unsecured Accounts and Accounts Doubtful of Collection	
Unadjusted trial balance	132,660,573
A . Additions:	
1. Debit balance in customer omnibus accounts	
2. Any other customer debit balance not accounted for elsewhere (explain nature)	
Subtotal	-
B . Deductions:	
1. Unsecured balances and accounts doubtful of collection	719,291
2. Debit balances in the accounts of non-customers such as general partners and principal officers	207,896
3. Reduction of margin debits for undue concentration of collateral/8	
4. Deficits in customer-related omnibus accounts/9	
5. Debit Balances in accounts of household members and affiliated members/10	
6. Reduction if unduly concentrated margin account balances/11	
7. Reduction of debit balances of accounts jointly owned by customers and non-customers/12	
8. Reduction for partly secured cash accounts	67,061,614
Subtotal	67,988,801
Subtotal of Adjusted Total Debits	64,671,772.01
Reduce Subtotal by 1%	1%
Adjusted total line item #10	64,025,054
11 . Securities Borrowed to Effectuate Short Sales by Customers and Securities Borrowed to make delivery on Customers' Securities Failed to Deliver	
12 . Fails to Deliver of Customer Securities not older than 30 calendar days (as determined by Allocation or Specific Identification)	
Unadjusted Balance	
A . Additions	
1. Clearing Accounts with net debit balances attributable to customer transactions (Clearing Corporations)	1,713,111
2. Drafts receivable outstanding less than 30 calendar days related to customer transaction / 13	
Subtotal	1,713,111
B . Deductions	
1. Securities which are in the firm's physical possession and control and in excess of the broker-dealer's possession and control requirements for three business days past settlement.	
2. Others (explain nature)	
Subtotal	-
Adjusted line item # 12	1,713,111
Aggregate Debit items	65,738,166
B . Determination of Requirements	
Aggregate Credit Items	183,183,872

ANSALDO, GODINEZ & CO., INC.
RESERVE FORMULA WORKSHEET
December 31, 2023

Aggregate Debit Items	65,738,166
Net Credit/(Debit)	117,445,707
Required Reserve (100% of Net Credit if making a weekly computation or 105% if monthly)	117,445,707

C . Frequency of Computation

Monthly, if:

Aggregate Indebtedness: Net Capital Ratio < 800%	385%
AND	
Aggregate Customer Funds < P25 million	181,088,162

D . Special Reserve Bank Account Balance

Special Reserve Account balance Prior to Computation	145,143,284
Less: Deposit Required	117,445,707
Additional Deposit Required	-
Note: Deposit should be made no later than 10 a.m. on the second banking day following computation date.	

SCHEDULE V

**ANSALDO, GODINEZ & CO., INC.
REPORT DESCRIBING MATERIAL INADEQUACIES FOUND TO EXIST
OR FOUND TO HAVE EXISTED SINCE THE PREVIOUS AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2023**

No material weakness in the internal control or material inadequacies in the practices and procedures for safeguarding securities were found since the date of previous report.

SCHEDULE VI

**ANSALDO, GODINEZ & CO., INC.
REPORT OF MONTHLY SECURITIES COUNT CONDUCTED PURSUANT TO
SRC RULE 52.1-10, AS AMENDED
FOR THE YEAR ENDED DECEMBER 31, 2023**

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

OATH

REPUBLIC OF THE PHILIPPINES)
PASIG CITY) S.S.

I, Stephen S. Godinez, Treasurer of the ANSALDO, GODINEZ & CO., INC. do solemnly swear that all matters set forth in this summary of securities count for the month ended December 31, 2023 are true and correct to the best of my knowledge and belief.


STEPHEN S. GODINEZ
Treasurer

SUBSCRIBED AND SWORN to before me, a Notary Public, this APR 30 2024 day of APR,
affiant exhibiting to me his Passport No issued at DFA-NCR on 11/27/2018 and
date expired on P9716025A EAS

Doc. No. 352
Page No. 71
Book No. LV1
Series of 2024

ATTY. JOHN EDWARD TRINIDAD ANG
Notary Public for City of Manila- Until 12-31-2024
Notarial Commission No. 2024-091
2nd Floor Midland Plaza Hotel, Adriatico St., Ermita, ML.
IBP NO. 893541-01/03/2024 Pasig City
P.T.R. NO. 1535522-Jan 3, 2024 Manila
ROLL NO. 68731 .MCLE COMPLIANCE NO. VII-0011675

ANSALDO, GODINEZ & CO., INC.
STOCK POSITION PER LOCATION REPORT
As at December 31, 2023

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
8990B	8990B HOLDINGS SERIES "B"	5,000	475,000	-	-	5,000	475,000	-	-	-	-	-	-
AAA	ASIA AMALGAMATED HOLDINGS	233,100	375,291	-	-	233,100	375,291	-	-	-	-	-	-
AB	ATOK BIG WEDGE CO., INC.	1,178,938	6,271,950	-	-	1,178,938	6,271,950	-	-	-	-	-	-
ABA	ABACORE CAPITAL HOLDINGS, INC.	5,709,200	4,852,820	-	-	5,709,200	4,852,820	-	-	-	-	-	-
ABG	ASIABEST GROUP	13,400	40,334	-	-	13,400	40,334	-	-	-	-	-	-
ABS	ABS-CBN CORPORATION	703,200	3,248,784	-	-	703,200	3,248,784	-	-	-	-	-	-
ABSP	ABS-CBN HLDGS. PHIL.DEPOSIT RECEIPT	17,100	78,660	-	-	17,100	78,660	-	-	-	-	-	-
AC	AYALA CORP.	108,370	73,799,970	-	-	108,370	73,799,970	-	-	-	-	-	-
ACE	ACESITE HOTEL	142,000	244,240	-	-	142,000	244,240	-	-	-	-	-	-
ACEN	AC ENERGY CORPORATION	21,248,598	93,068,859	-	-	21,248,598	93,068,859	-	-	-	-	-	-
ACENA	ACEN CORPORATION PREF. A	500	525,000	-	-	500	525,000	-	-	-	-	-	-
ACENB	ACEN CORPORATION PREF. B	3,000	3,240,000	-	-	3,000	3,240,000	-	-	-	-	-	-
ACPAR	AYALA CORP.: RE-ISSUANCE OF CLASS "	2,740	6,871,920	-	-	2,740	6,871,920	-	-	-	-	-	-
ACR	ALSON CONSOLIDATED RESOURCES	4,184,500	2,259,630	-	-	4,184,500	2,259,630	-	-	-	-	-	-
AEV	ABOITIZ EQUITY VENTURES, INC.	280,039	12,489,739	-	-	280,039	12,489,739	-	-	-	-	-	-
AGI	ALLIANCE GLOBAL GROUP, INC.	775,400	8,746,512	-	-	775,400	8,746,512	-	-	-	-	-	-
ALCO	ARTHALAND CORPORATION	5,140,242	2,133,200	-	-	5,140,242	2,133,200	-	-	-	-	-	-
ALCPC	ARTHALAND CORP. PREF. SERIES C	10,000	950,000	-	-	10,000	950,000	-	-	-	-	-	-
ALHI	ANCHOR LAND HOLDINGS, INC.	74,250	297,743	-	-	74,250	297,743	-	-	-	-	-	-
ALI	AYALA LAND INC.	2,457,868	84,673,553	-	-	2,457,868	84,673,553	-	-	-	-	-	-
ALLDY	ALLDAY MARTS, INC.	24,596,000	3,861,572	-	-	24,596,000	3,861,572	-	-	-	-	-	-
ALLHC	AYALA LAND LOGISTIC HOLDINGS CORP.	7,940,200	14,054,154	-	-	7,940,200	14,054,154	-	-	-	-	-	-
ALTER	ALTERNERGY HOLDINGS CORP.	1,955,000	1,505,350	-	-	1,955,000	1,505,350	-	-	-	-	-	-
ANI	AGRINURTURE, INC.	1,275,300	956,475	-	-	1,275,300	956,475	-	-	-	-	-	-
ANS	A. SORIANO CORPORATION	449,265	5,238,430	-	-	449,265	5,238,430	-	-	-	-	-	-
AP	ABOITIZ POWER CORPORATION	661,500	25,004,700	-	-	661,500	25,004,700	-	-	-	-	-	-
APB2R	AYALA CORP. CLASS "B" PREF. SHARES	31,000	15,041,200	-	-	31,000	15,041,200	-	-	-	-	-	-
APC	APC GROUP INC.	20,303,000	4,771,205	-	-	20,303,000	4,771,205	-	-	-	-	-	-
APL	APOLLO GLOBALCAPITAL, INC.	884,557,100	11,499,242	-	-	884,557,100	11,499,242	-	-	-	-	-	-
APO	ANGLO PHIL. HOLDINGS CORP.	4,960,095	2,232,043	-	-	4,960,095	2,232,043	-	-	-	-	-	-
APVI	ALTUS PROP. VENTURES, INC.	128,047	1,189,557	-	-	128,047	1,189,557	-	-	-	-	-	-
APX	APEX MINING CO., INC.	10,461,545	31,384,635	-	-	10,461,545	31,384,635	-	-	-	-	-	-
AR	ABRA MNG. & IND'L. CORP.	3,705,291,112	17,044,339	-	-	3,705,291,112	17,044,339	-	-	-	-	-	-
ARA	ARANETA PROPERTIES, INC.	2,545,360	2,494,453	-	-	2,545,360	2,494,453	-	-	-	-	-	-
AREIT	AREIT, INC.	200,600	6,700,040	-	-	200,600	6,700,040	-	-	-	-	-	-
ASLAG	RASLAG CORP.	2,458,000	3,170,820	-	-	2,458,000	3,170,820	-	-	-	-	-	-
AT	ATLAS CONS. MINING & DEV.	5,666,464	20,002,618	-	-	5,666,464	20,002,618	-	-	-	-	-	-
ATI	ASIAN TERMINALS, INC.	224,400	3,366,000	-	-	224,400	3,366,000	-	-	-	-	-	-
ATN	ATN HOLDINGS, INC.	17,659,000	6,710,420	-	-	17,659,000	6,710,420	-	-	-	-	-	-
ATNB	ATN HOLDINGS, INC. "B"	8,429,950	3,203,381	-	-	8,429,950	3,203,381	-	-	-	-	-	-
AUB	ASIA UNITED BANK CORPORATION	1,482,387	48,474,055	-	-	1,482,387	48,474,055	-	-	-	-	-	-
AXLM	AXELUM RESOURCES CORP.	1,064,800	2,555,520	-	-	1,064,800	2,555,520	-	-	-	-	-	-
BALAI	BALAI NI FRUITAS, INC.	1,717,000	669,630	-	-	1,717,000	669,630	-	-	-	-	-	-
BC	BENGUET CORP.	972,742	4,737,254	-	-	972,742	4,737,254	-	-	-	-	-	-
BCB	BENGUET CORP. - B	833,488	4,084,091	-	-	833,488	4,084,091	-	-	-	-	-	-
BCOR	BERJAYA PHILIPPINES, INC.	5,500	41,305	-	-	5,500	41,305	-	-	-	-	-	-
BCP	BENGUET PREFERRED	-	-	86	2,111.30	86	2,111	-	-	-	-	-	-
BDO	BDO UNIBANK, INC.	646,149	84,322,445	-	-	646,149	84,322,445	-	-	-	-	-	-
BEL	BELLE CORPORATION	14,913,549	17,448,852	-	-	14,913,549	17,448,852	-	-	-	-	-	-
BF	BANCO FILIPINO SAVINGS & MORTGAGE B	10	-	-	-	10	-	-	-	-	-	-	-
BHI	BOULEVARD HOLDINGS, INC.	112,296,800	6,850,105	-	-	112,296,800	6,850,105	-	-	-	-	-	-
BKR	BRIGHT KINDLE RESOURCES INVESTMENTS	726,000	1,016,400	-	-	726,000	1,016,400	-	-	-	-	-	-
BLOOM	BLOOMBERY RESORTS CORPORATION	4,671,250	45,965,100	-	-	4,671,250	45,965,100	-	-	-	-	-	-
BNCOM	BANK OF COMMERCE	54,500	396,215	-	-	54,500	396,215	-	-	-	-	-	-
BPI	BANK OF THE PHIL. ISLANDS	649,193	67,386,233	-	-	649,193	67,386,233	-	-	-	-	-	-
BRN	A. BROWN CO., INC.	3,805,544	2,473,604	-	-	3,805,544	2,473,604	-	-	-	-	-	-
BSC	BASIC ENERGY CORPORATION	32,989,254	5,839,098	-	-	32,989,254	5,839,098	-	-	-	-	-	-

ANSALDO, GODINEZ & CO., INC.
STOCK POSITION PER LOCATION REPORT
As at December 31, 2023

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
C	CHELSEA LOGISTICS & INFRA. HLDGS.	1,031,800	1,547,700	-	-	1,031,800	1,547,700	-	-	-	-	-	-
CA	CONCRETE AGGREGATES CORP. "A"	2,600	101,530	-	-	2,600	101,530	-	-	-	-	-	-
CAL	CALATA CORPORATION	1,114,944	2,274,486	-	-	1,114,944	2,274,486	-	-	-	-	-	-
CAT	CENTRAL AZUCARERA DE TARLAC	11,920	137,080	-	-	11,920	137,080	-	-	-	-	-	-
CDC	CITYLAND DEV. CORP.	529,216	365,159	-	-	529,216	365,159	-	-	-	-	-	-
CEB	CEBU AIR, INC.	154,560	5,023,200	-	-	154,560	5,023,200	-	-	-	-	-	-
CEBCP	CEBU AIR INC. CONVERTIBLE PREFERRED	32,963	1,069,649	-	-	32,963	1,069,649	-	-	-	-	-	-
CEI	CROWN EQUITIES, INC.	69,569,520	4,661,158	-	-	69,569,520	4,661,158	-	-	-	-	-	-
CEU	CENTRO ESCOLAR UNIVERSITY	70,512	599,352	-	-	70,512	599,352	-	-	-	-	-	-
CFI	COMMONWEALTH FOODS, INC.	183	-	-	-	-	-	183	-	-	-	-	-
CHI	CEBU HOLDINGS, INC.	3,998,401	24,470,214	51,410	314,629.20	4,049,811	24,784,843	-	-	-	-	-	-
CHIB	CHINA BANKING CORPORATION	36,377,147	1,122,234,985	-	-	36,364,107	1,121,832,701	-	-	13,040	402,284	-	-
CHP	CEMEX HOLDINGS PHILIPPINES, INC.	8,343,984	7,843,345	-	-	8,343,984	7,843,345	-	-	-	-	-	-
CIC	CONCEPCION INDUSTRIAL CORPORATION	2,780	40,310	-	-	2,780	40,310	-	-	-	-	-	-
CLI	CEBU LANDMASTERS, INC.	699,142	1,726,881	-	-	699,142	1,726,881	-	-	-	-	-	-
CNPF	CENTURY PACIFIC FOOD, INC.	291,550	9,023,473	-	-	291,550	9,023,473	-	-	-	-	-	-
CNVRG	CONVERGE INFO. & COMM. TECH. , INC.	3,446,100	28,878,318	-	-	3,446,100	28,878,318	-	-	-	-	-	-
COAL	COAL ASIA HOLDINGS, INC.	9,809,000	1,088,799	-	-	9,809,000	1,088,799	-	-	-	-	-	-
COL	COL FINANCIAL GROUP, INC.	499,000	1,327,340	-	-	499,000	1,327,340	-	-	-	-	-	-
COSCO	COSCO CAPITAL, INC.	88,873,236	410,594,350	-	-	88,873,236	410,594,350	-	-	-	-	-	-
CPG	CENTURY PROPERTIES GROUP, INC.	6,457,159	1,808,005	-	-	6,457,159	1,808,005	-	-	-	-	-	-
CPM	CENTURY PEAK HOLDINGS CORP.	1,699,000	5,912,520	-	-	1,699,000	5,912,520	-	-	-	-	-	-
CREIT	CITICORE ENERGY REIT CORP.	2,962,000	7,582,720	-	-	2,962,000	7,582,720	-	-	-	-	-	-
CROWN	CROWN ASIA CHEMICALS CORPORATION	9,482,000	14,791,920	-	-	9,482,000	14,791,920	-	-	-	-	-	-
CTS	CTS GLOBAL EQUITY GROUP	10,345,000	7,758,750	-	-	10,345,000	7,758,750	-	-	-	-	-	-
CYBR	CYBER BAY CORPORATION	51,679,040	17,054,083	-	-	51,679,040	17,054,083	-	-	-	-	-	-
DD	DOUBLEDRAGON PROPERTIES CORP.	1,408,800	10,706,880	-	-	1,408,800	10,706,880	-	-	-	-	-	-
DDMPR	DDMP REIT, INC.	12,328,000	14,916,880	-	-	12,328,000	14,916,880	-	-	-	-	-	-
DDPR	DOUBLEDRAGON PROPERTIES CORP.- PREF	56,000	5,208,000	-	-	56,000	5,208,000	-	-	-	-	-	-
DELM	DEL MONTE PACIFIC	143,159	929,102	-	-	143,159	929,102	-	-	-	-	-	-
DFNN	DFNN INC.	130,000	401,700	-	-	130,000	401,700	-	-	-	-	-	-
DHI	DOMINION HOLDINGS, INC.	572,271	-	-	-	572,271	-	-	-	-	-	-	-
DITO	DITO CME HOLDINGS CORP.	10,488,060	24,646,941	-	-	10,488,060	24,646,941	-	-	-	-	-	-
DIZ	DIZON COPPER-SILVER MINES	269,742	601,525	-	-	269,742	601,525	-	-	-	-	-	-
DMC	DMCI HOLDINGS INC.	5,989,000	58,512,530	-	-	5,989,000	58,512,530	-	-	-	-	-	-
DMW	D.M. WENCESLAO & ASSOCIATES, INC.	742,400	3,830,784	-	-	742,400	3,830,784	-	-	-	-	-	-
DNA	PHILAB HOLDINGS CORP.	222,240	635,606	-	-	222,240	635,606	-	-	-	-	-	-
DNL	D&L INDUSTRIES, INC.	2,170,400	13,695,224	-	-	2,170,400	13,695,224	-	-	-	-	-	-
DWC	DISCOVERY WORLD CORPORATION	995,500	1,403,655	-	-	995,500	1,403,655	-	-	-	-	-	-
ECV	EASYPASS COMMUNICATIONS, INC.	56,320	127,283	-	-	56,320	127,283	-	-	-	-	-	-
ECVC	EAST COAST VULCAN CORPORATION	3,242,295	1,945,377	-	-	3,242,295	1,945,377	-	-	-	-	-	-
EEI	ENGINEERING EQUIPMENT INC.	1,963,307	11,720,943	-	-	1,963,307	11,720,943	-	-	-	-	-	-
EEIPB	EEI CORP. PREF. B	10,000	969,000	-	-	10,000	969,000	-	-	-	-	-	-
EG	IP E-GAME VENTURES, INC.	275,510,000	2,589,794	-	-	175,510,000	1,649,794	-	-	100,000,000	940,000	-	-
EIBA	EXPORT AND INDUSTRY BANK	23,567,269	-	-	-	23,567,269	-	-	-	-	-	-	-
EIBB	EXPORT AND INDUSTRY BANK "B"	800,000	-	-	-	800,000	-	-	-	-	-	-	-
ELI	EMPIRE EAST LAND HOLDINGS, INC.	51,966,271	6,547,750	-	-	51,966,271	6,547,750	-	-	-	-	-	-
EMI	EMPERADOR INC.	355,200	7,405,920	-	-	355,200	7,405,920	-	-	-	-	-	-
ENEX	ENEX ENERGY CORP.	740,809	3,629,964	-	-	740,809	3,629,964	-	-	-	-	-	-
ETON	ETON PROPERTIES PHILIPPINES, INC.	5,182	-	-	-	5,182	-	-	-	-	-	-	-
EURO	EURO-MED LAB. PHIL., INC.	453,744	322,158	-	-	453,744	322,158	-	-	-	-	-	-
EVER	EVER-GOTESCO RES. & HLDG., INC.	57,100,000	16,559,000	-	-	57,100,000	16,559,000	-	-	-	-	-	-
EW	EAST WEST BANKING CORPORATION	927,367	7,901,167	-	-	927,367	7,901,167	-	-	-	-	-	-
FAF	FIRST ABACUS FINANCIAL	4,308,000	2,584,800	-	-	4,308,000	2,584,800	-	-	-	-	-	-
FB	SAN MIGUEL FOOD & BEV., INC.	30,460	1,553,460	-	-	30,460	1,553,460	-	-	-	-	-	-
FCG	FIGARO COFFEE GROUP, INC.	850,000	510,000	-	-	850,000	510,000	-	-	-	-	-	-
FDC	FILINVEST DEV. CORP.	728,639	3,898,219	-	-	728,639	3,898,219	-	-	-	-	-	-

ANSALDO, GODINEZ & CO., INC.
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STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
FERRO	FERRONOUX HOLDINGS, INC.	51,000	147,900	-	-	51,000	147,900	-	-	-	-	-	-
FEU	FAR EASTERN UNIVERSITY, INC.	2,314	1,310,881	28	15,862.00	2,342	1,326,743	-	-	-	-	-	-
FFI	FILIPINO FUND, INC.	30,786	110,830	-	-	30,786	110,830	-	-	-	-	-	-
FGEN	FIRST GEN CORPORATION	343,278	5,973,037	-	-	343,278	5,973,037	-	-	-	-	-	-
FILRT	FILINVEST REIT CORP.	179,000	461,820	-	-	179,000	461,820	-	-	-	-	-	-
FJP	F AND J PRINCE CORP.	302,800	499,620	-	-	302,800	499,620	-	-	-	-	-	-
FJPB	F AND J PRINCE CORP. - B	167,500	226,125	-	-	167,500	226,125	-	-	-	-	-	-
FLI	FIL-INVEST LAND, INC.	19,142,707	11,294,197	-	-	19,142,707	11,294,197	-	-	-	-	-	-
FMETF	FIRST METRO PHIL. EQUITY EXCHANGE	1,003	103,008	-	-	1,003	103,008	-	-	-	-	-	-
FNI	GLOBAL FERRONICKEL HOLDINGS, INC.	3,074,468	6,333,404	-	-	3,072,802	6,329,972	1,666	3,432	-	-	-	-
FOOD	ALLIANCE SELECT FOODS INTL., INC.	4,109,810	1,890,513	-	-	4,109,810	1,890,513	-	-	-	-	-	-
FPH	FIRST PHIL. HOLDINGS CORP.	1,211,841	75,740,063	-	-	1,211,841	75,740,063	-	-	-	-	-	-
FPI	FORUM PACIFIC, INC.	16,132,000	3,226,400	-	-	16,132,000	3,226,400	-	-	-	-	-	-
FRUIT	FRUITAS HOLDINGS, INC.	68,597,000	65,853,120	-	-	68,587,000	65,843,520	10,000	9,600	-	-	-	-
FYN	FILIPINAS SYNTHETIC FIBER	226	-	-	-	226	-	-	-	-	-	-	-
GBH	GLOBAL BUSINESS HOLDINGS, INC.	10	-	-	-	10	-	-	-	-	-	-	-
GEO	GEOGRACE RESOURCES PHILS., INC.	54,435,544	1,469,760	-	-	54,435,544	1,469,760	-	-	-	-	-	-
GERI	GLOBAL-ESTATE RESORTS, INC.	2,596,631	2,466,799	-	-	2,596,631	2,466,799	-	-	-	-	-	-
GLO	GLOBE TELECOM, INC.	27,814	47,840,080	-	-	27,804	47,822,880	-	-	10	17,200	-	-
GMA7	GMA NETWORK, INC.	445,501	3,742,208	-	-	445,501	3,742,208	-	-	-	-	-	-
GMAP	GMA HOLDINGS, INC. - PDR	45,000	373,500	-	-	45,000	373,500	-	-	-	-	-	-
GPH	GRAND PLAZA HOTEL CORP.	100	684	-	-	100	684	-	-	-	-	-	-
GREEN	GREENENERGY HOLDINGS INC.	4,218,328	965,997	-	-	4,218,328	965,997	-	-	-	-	-	-
GSMI	GINEBRA SAN MIGUEL INC.	6,030	1,017,261	-	-	6,030	1,017,261	-	-	-	-	-	-
GTCA7	GT CAPITAL HOLDINGS, INC.	32,148	18,967,320	-	-	32,148	18,967,320	-	-	-	-	-	-
GTTPB	GT CAPITAL HOLDINGS, INC. - SERIES B	33,120	31,149,360	-	-	33,120	31,149,360	-	-	-	-	-	-
HI	HOUSE OF INVESTMENTS, INC.	2,888,520	9,358,805	-	-	2,888,520	9,358,805	-	-	-	-	-	-
HOME	ALLHOME CORP.	1,063,300	1,190,896	-	-	1,063,300	1,190,896	-	-	-	-	-	-
HOUSE	8990 HOLDINGS, INC.	22,500	207,675	-	-	20,000	184,600	-	-	2,500	23,075	-	-
HTI	HAUS TALK INC.	80,000	76,000	-	-	80,000	76,000	-	-	-	-	-	-
I	I-REMIT, INC.	3,820,662	1,470,955	-	-	3,820,662	1,470,955	-	-	-	-	-	-
ICT	INTL CONT TERMINAL SERV INC	112,279	27,710,457	-	-	112,279	27,710,457	-	-	-	-	-	-
IDC	ITALPINAS DEVELOPMENT CORP.	382,165	263,694	-	-	382,165	263,694	-	-	-	-	-	-
IMI	INTEGRATED MICRO-ELECTRONICS, INC.	1,225,380	3,872,201	-	-	1,225,380	3,872,201	-	-	-	-	-	-
IMP	IMPERIAL RES., INC.	649,100	337,532	320	166.40	649,420	337,698	-	-	-	-	-	-
INFRA	PHILIPPINE INFRADEV HOLDINGS INC.	7,245,250	3,984,888	-	-	7,245,250	3,984,888	-	-	-	-	-	-
ION	IONICS, INC.	2,604,150	2,630,192	-	-	2,604,150	2,630,192	-	-	-	-	-	-
IPM	IPM HOLDINGS, INC.	2,595,500	8,772,790	-	-	2,595,500	8,772,790	-	-	-	-	-	-
IPO	IPEOPLE, INC.	228,895	1,682,378	-	-	228,895	1,682,378	-	-	-	-	-	-
IS	ISLAND INFO. & TECHNOLOGY, INC	50,010,000	7,201,440	-	-	50,010,000	7,201,440	-	-	-	-	-	-
JAS	JACKSTONES, INC.	169,000	136,890	-	-	169,000	136,890	-	-	-	-	-	-
JFC	JOLLIBEE FOODS CORP.	115,552	29,049,773	-	-	115,552	29,049,773	-	-	-	-	-	-
JFCPB	JOLLIBEE FOODS CORP. PREF. B	3,600	3,391,200	-	-	3,600	3,391,200	-	-	-	-	-	-
JGS	JG SUMMIT HOLDINGS, INC.	440,097	16,789,701	-	-	440,097	16,789,701	-	-	-	-	-	-
JOH	JOLLIVILLE HOLDINGS CORPORATION	53,300	477,568	-	-	53,300	477,568	-	-	-	-	-	-
KEEPR	THE KEEPER HOLDINGS INC.	3,259,388	4,823,894	-	-	3,259,388	4,823,894	-	-	-	-	-	-
KEP	KEPPEL PHIL. PROPERTIES, INC.	71,861	352,838	-	-	71,861	352,838	-	-	-	-	-	-
KPH	KEPPEL PHIL HOLDINGS, INC.	653	3,265	-	-	653	3,265	-	-	-	-	-	-
KPHB	KEPPEL PHIL HOLDINGS, INC-B	-	-	36	198.36	36	198	-	-	-	-	-	-
KPPI	KEPWEALTH PROPERTY PHILS., INC.	15,500	23,715	-	-	15,500	23,715	-	-	-	-	-	-
LAND	CITY & LAND DEVELOPERS, INC.	597,515	454,111	-	-	597,515	454,111	-	-	-	-	-	-
LBC	LBC EXPRESS HOLDINGS, INC.	16,500	300,960	-	-	16,500	300,960	-	-	-	-	-	-
LC	LEPANTO CONS. MNG.	72,140,675	5,771,254	-	-	72,140,675	5,771,254	-	-	-	-	-	-
LCB	LEPANTO CONS. MNG. - B	31,101,485	2,425,916	-	-	31,101,485	2,425,916	-	-	-	-	-	-
LFM	LIBERTY FLOUR MILLS	600	7,260	-	-	600	7,260	-	-	-	-	-	-
LIB	LIBERTY TELECOMMUNICATIONS	560,000	873,600	-	-	550,000	858,000	10,000	15,600	-	-	-	-
LMG	LMG CHEMICALS CORP.	26,000	86,840	-	-	26,000	86,840	-	-	-	-	-	-

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		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
LODE	LODESTAR INVESTMENT CORP.	3,080,000	1,432,200	-	-	3,080,000	1,432,200	-	-	-	-	-	-
LOTO	PACIFIC ONLINE SYSTEMS CORPORATION	217,800	1,078,110	-	-	217,800	1,078,110	-	-	-	-	-	-
LPC	LIBERTY FLOUR PROP. CORP.	3,851,400	231,084	-	-	3,851,400	231,084	-	-	-	-	-	-
LPZ	LOPEZ HOLDINGS CORPORATION	12,031,990	51,256,277	-	-	12,030,990	51,252,017	1,000	4,260	-	-	-	-
LSC	LORENZO SHIPPING CORPORATION	612,750	337,013	-	-	612,750	337,013	-	-	-	-	-	-
LTG	LUCIO TAN GROUP	2,051,000	18,417,980	-	-	2,051,000	18,417,980	-	-	-	-	-	-
MA	MANILA MINING CORP.	960,400,957	4,417,844	-	-	960,400,957	4,417,844	-	-	-	-	-	-
MAB	MANILA MINING CORP. - B	217,982,906	937,326	-	-	217,982,906	937,326	-	-	-	-	-	-
MAC	MACROASIA CORPORATION	2,617,252	10,861,596	-	-	2,617,252	10,861,596	-	-	-	-	-	-
MACAY	MACAY HOLDINGS, INC.	1,192	6,794	-	-	1,192	6,794	-	-	-	-	-	-
MAH	METRO ALLIANCE HLDGS & EQUITIES COR	297,000	135,135	-	-	297,000	135,135	-	-	-	-	-	-
MAHB	METRO ALLIANCE HLDGS "B"	415,500	211,905	25,000	12,750.00	440,500	224,655	-	-	-	-	-	-
MARC	MARCVENTURES HOLDINGS, INC.	4,349,504	4,697,464	-	-	4,349,504	4,697,464	-	-	-	-	-	-
MAXS	MAX'S GROUP, INC.	289,700	947,319	-	-	289,700	944,049	-	-	1,000	3,270	-	-
MB	MANILA BULLETIN PUBLISHING	5,686,269	1,313,528	-	-	5,686,269	1,313,528	-	-	-	-	-	-
MBC	MANILA BROADCASTING CO.	4,300	34,400	-	-	4,300	34,400	-	-	-	-	-	-
MBT	METRO BANK & TRUST CO.	2,080,261	106,717,389	-	-	2,080,261	106,717,389	-	-	-	-	-	-
MC	MARSTEEL CONS. INC. "A"	1,000,000	-	-	-	-	-	1,000,000	-	-	-	-	-
MED	MEDCO HOLDINGS	7,990,000	687,140	-	-	7,990,000	687,140	-	-	-	-	-	-
MEDIC	MEDILINES DISTRIBUTORS, INC.	1,861,000	614,130	-	-	1,861,000	614,130	-	-	-	-	-	-
MEG	MEGAWORLD CORPORATION	12,189,266	24,012,854	-	-	12,189,266	24,012,854	-	-	-	-	-	-
MER	MANILA ELECTRIC CO.	610,757	243,692,043	-	-	610,757	243,692,043	-	-	-	-	-	-
MFC	MANULIFE FINANCIAL CORP.	168	189,840	-	-	168	189,840	-	-	-	-	-	-
MFIN	MAKATI FINANCE CORPORATION	148	281	-	-	148	281	-	-	-	-	-	-
MG	MILLENNIUM GLOBAL HOLDINGS, INC.	12,723,000	1,285,023	-	-	12,723,000	1,285,023	-	-	-	-	-	-
MGH	METRO GLOBAL HOLDINGS CORP.	1,749,633	-	-	-	1,749,633	-	-	-	-	-	-	-
MHC	MABUHAY HOLDINGS CORP.	8,067,000	903,504	-	-	8,067,000	903,504	-	-	-	-	-	-
MJC	MANILA JOCKEY CLUB, INC.	2,941,950	3,736,277	-	-	2,941,950	3,736,277	-	-	-	-	-	-
MJIC	MJC INVESTMENTS CORPORATION	190,500	190,500	-	-	190,500	190,500	-	-	-	-	-	-
MM	MERRYMART CONSUMER CORP	4,608,000	4,746,240	-	-	4,608,000	4,746,240	-	-	-	-	-	-
MMC	MARCOPPER MINING CORP.	1,140	-	-	-	-	-	1,140	-	-	-	-	-
MONDE	MONDE NISSIN CORPORATION	3,045,425	25,520,662	-	-	3,045,425	25,520,662	-	-	-	-	-	-
MRC	MRC ALLIED, INC.	3,807,195	4,949,354	-	-	3,807,195	4,949,354	-	-	-	-	-	-
MREIT	MEGAWORLD REIT	285,100	3,506,730	-	-	285,100	3,506,730	-	-	-	-	-	-
MRSI	METRO RETAIL STORES GROUP., INC.	1,097,000	1,393,190	-	-	1,097,000	1,393,190	-	-	-	-	-	-
MVC	MABUHAY VINYL CORPORATION	165,600	970,416	-	-	165,600	970,416	-	-	-	-	-	-
MWC	MANILA WATER CO., INC.	1,568,300	29,170,380	-	-	1,568,300	29,170,380	-	-	-	-	-	-
MWIDE	MEGAWIDE CONSTRUCTION CORP.	1,089,389	3,355,318	-	-	1,089,389	3,355,318	-	-	-	-	-	-
MWP4	MEGAWIDE CONSTRUCTION PREF. 4	25,000	2,203,750	-	-	25,000	2,203,750	-	-	-	-	-	-
MWP5	MEGAWIDE SERIES 5 PERPETUAL PREF.	12,000	1,215,600	-	-	12,000	1,215,600	-	-	-	-	-	-
NI	NIHAO MINERAL RESOURCES INTL., INC	2,945,250	1,619,888	-	-	2,945,250	1,619,888	-	-	-	-	-	-
NIKL	NICKEL ASIA CORPORATION	6,293,019	34,485,744	-	-	6,293,019	34,485,744	-	-	-	-	-	-
NOW	NOW CORPORATION	1,841,900	2,118,185	-	-	1,841,900	2,118,185	-	-	-	-	-	-
NRCP	NATIONAL REINSURANCE CORP OF THE PH	7,042,000	2,535,120	-	-	7,042,000	2,535,120	-	-	-	-	-	-
NXGEN	NEXTGENESIS CORPORATION	472,625	-	-	-	472,625	-	-	-	-	-	-	-
OM	OMICO MNG.	10,341,864	2,844,013	-	-	10,341,864	2,844,013	-	-	-	-	-	-
OPM	ORIENTAL PETROLEUM	714,151,702	5,713,214	39,800,000	318,400.00	753,951,702	6,031,614	-	-	-	-	-	-
OPMB	ORIENTAL PETROLEUM - B	414,270,866	3,355,594	30,000,000	243,000.00	444,270,866	3,598,594	-	-	-	-	-	-
ORE	ORIENTAL PENINSULA RES. GROUP, INC.	3,614,900	2,277,387	-	-	3,614,900	2,277,387	-	-	-	-	-	-
OV	THE PHILODRILL CORPORATION	1,049,731,829	8,502,828	-	-	1,049,731,829	8,502,828	-	-	-	-	-	-
PA	PACIFICA HOLDINGS, INC.	1,569,835	2,166,372	-	-	1,569,835	2,166,372	-	-	-	-	-	-
PAL	PAL HOLDINGS, INC.	237,710	1,205,190	-	-	237,710	1,205,190	-	-	-	-	-	-
PAX	PAXYS, INC.	987,120	1,016,734	-	-	987,120	1,016,734	-	-	-	-	-	-
PBB	PHILIPPINE BUSINESS BANK	843,246	7,336,240	-	-	843,246	7,336,240	-	-	-	-	-	-
PBC	PHIL. BANK OF COMMUNICATIONS	28,762	406,119	-	-	28,762	406,119	-	-	-	-	-	-
PCOR	PETRON CORP.	10,726,487	38,079,029	-	-	10,726,487	38,079,029	-	-	-	-	-	-
PCP	PICOP RESOURCES, INC.	25,593,545	-	-	-	25,593,545	-	-	-	-	-	-	-

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		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
PERC	PETROENERGY RESOURCES CORP.	2,233,778	11,057,201	-	-	2,233,778	11,057,201	-	-	-	-	-	-
PGOLD	PUREGOLD PRICE CLUB	4,311,601	115,982,067	-	-	4,311,601	115,982,067	-	-	-	-	-	-
PHA	PREMIERE HORIZON ALLIANCE CORP.	12,066,000	1,954,692	-	-	12,066,000	1,954,692	-	-	-	-	-	-
PHC	PHILCOMSAT HOLDINGS, CORP.	726,389	-	-	-	726,389	-	-	-	-	-	-	-
PHES	PHIL. ESTATES CORP.	4,110,000	1,294,650	-	-	4,110,000	1,294,650	-	-	-	-	-	-
PHN	PHINMA CORPORATION	254,061	5,182,844	-	-	254,061	5,182,844	-	-	-	-	-	-
PHR	PH RESORTS GROUP HOLDINGS, INC.	1,678,300	1,460,121	-	-	1,678,300	1,460,121	-	-	-	-	-	-
PIP	PEPSI-COLA PRODUCTS PHILS., INC	1,000	1,700	-	-	500	850	-	-	500	850	-	-
PIZZA	SHAKY'S PIZZA ASIA VENTURES, INC.	32,200	315,560	-	-	32,200	315,560	-	-	-	-	-	-
PLC	PREMIUM LEISURE CORPORATION	15,016,000	9,460,080	-	-	15,016,000	9,460,080	-	-	-	-	-	-
PLUS	DIGIPLUS INTERACTIVE CORP	1,811,235	14,489,880	-	-	1,811,235	14,489,880	-	-	-	-	-	-
PMPC	PANASONIC MANUFACTURING PHILS.CORP.	105,229	610,328	-	-	105,229	610,328	-	-	-	-	-	-
PMT	PRIMETOWN PROPERTIES	121,100	-	-	-	121,100	-	-	-	-	-	-	-
PNB	PHIL. NATIONAL BANK	794,621	14,700,489	-	-	794,621	14,700,489	-	-	-	-	-	-
PNC	PHIL. NATIONAL CONSTRUCTION	465,908	-	-	-	465,908	-	-	-	-	-	-	-
PNX	P-H-O-E-N-I-X PETROLEUM PHILS., INC	93,355	457,440	-	-	93,355	457,440	-	-	-	-	-	-
PNX3B	PHOENIX PET. PHILS., INC. - "3B"	104,400	2,448,180	-	-	104,400	2,448,180	-	-	-	-	-	-
PNX4	PHOENIX PET. PHILS., INC. SERIES 4	6,350	1,478,280	-	-	6,350	1,478,280	-	-	-	-	-	-
PORT	GLOBALPORT 900, INC.	3,200	-	-	-	3,200	-	-	-	-	-	-	-
PPC	PRYCE CORPORATION	64,007	-	-	-	64,007	-	-	-	-	-	-	-
PRC	PHIL. RACING CLUB	198,669	1,271,482	-	-	198,669	1,271,482	-	-	-	-	-	-
PRF3A	PETRON CORP. PREFERRED SERIES 3-A	5,750	5,577,500	-	-	5,750	5,577,500	-	-	-	-	-	-
PRF3B	PETRON CORP. PREFERRED SERIES 3 - B	350	343,000	-	-	350	343,000	-	-	-	-	-	-
PRIM	PRIME MEDIA HOLDINGS, INC.	441,013	1,265,707	-	-	441,013	1,265,707	-	-	-	-	-	-
PRMX	PRIMEX CORPRATION	229,000	561,050	-	-	229,000	561,050	-	-	-	-	-	-
PSB	PHIL. SAVINGS BANK	57,843	3,065,679	-	-	57,843	3,065,679	-	-	-	-	-	-
PSE	THE PHILIPPINE STOCK EXCHANGE, INC.	16,871	2,868,070	240,000	40,800,000.00	16,771	2,851,070	240,100	40,817,000	-	-	-	-
PTC	PHIL. TRUST CO.	13	1,560	-	-	13	1,560	-	-	-	-	-	-
PTT	PHIL. TELEGRAPH & TEL. CORP.	11,979,333	-	-	-	11,979,333	-	2,000	-	-	-	-	-
PX	PHILEX MNG. CORP. "A"	17,348,532	55,688,788	-	-	17,348,532	55,688,788	-	-	-	-	-	-
PXP	PXP ENERGY CORP.	3,200,891	12,643,519	-	-	3,200,891	12,643,519	-	-	-	-	-	-
RCB	RIZAL COMMERCIAL BANKING CORP.	283,285	6,515,555	-	-	283,285	6,515,555	-	-	-	-	-	-
RCI	ROXAS AND COMPANY, INC.	267,122	128,219	-	-	267,122	128,219	-	-	-	-	-	-
RCR	RL COMMERCIAL REIT, INC.	1,108,100	5,418,609	-	-	1,108,100	5,418,609	-	-	-	-	-	-
REDC	REPOWER ENERGY DEVELOPMENT CORP.	500,000	3,500,000	-	-	500,000	3,500,000	-	-	-	-	-	-
REG	REPUBLIC GLASS CORP.	431,259	1,393,777	15,000	45,000.00	446,259	1,338,777	-	-	-	-	-	-
RFM	RFM CORPORATION	1,296,374	3,889,122	-	-	1,296,374	3,889,122	-	-	-	-	-	-
RLC	ROBINSONS LAND CORP.	1,681,976	26,810,697	-	-	1,681,976	26,810,697	-	-	-	-	-	-
RLT	PHIL. REALTY & HOLDINGS CORP.	12,067,773	1,592,946	700,000	92,400.00	12,767,773	1,685,346	-	-	-	-	-	-
ROCK	ROCKWELL LAND CORPORATION	2,206,824	3,111,622	-	-	2,206,824	3,111,622	-	-	-	-	-	-
ROX	ROXAS HOLDINGS, INC.	261,281	201,186	-	-	261,281	201,186	-	-	-	-	-	-
RPC	REYNOLDS PHILIPPINE CORPORATION	322,703	-	-	-	322,703	-	-	-	-	-	-	-
RRHI	ROBINSONS RETAIL HOLDINGS, INC.	143,920	5,706,428	-	-	143,920	5,706,428	-	-	-	-	-	-
SBS	SBS PHILIPPINES CORPORATION	166,301	806,560	-	-	166,301	806,560	-	-	-	-	-	-
SCC	SEMIRARA MINING & POWER CORP.	807,860	24,437,765	-	-	807,860	24,437,765	-	-	-	-	-	-
SECB	SECURITY BANK CORP.	420,804	30,087,486	-	-	420,804	30,087,486	-	-	-	-	-	-
SEVN	PHILIPPINE SEVEN CORP.	9,636	734,263	-	-	9,636	734,263	-	-	-	-	-	-
SFI	SWIFT FOODS, INC.	75,734,758	4,089,677	-	-	75,734,758	4,089,677	-	-	-	-	-	-
SFIP	SWIFT FOODS, INC. CONV. PREF.	216,523	277,149	267	341.76	216,790	277,491	-	-	-	-	-	-
SGI	SOLID GROUP, INC.	2,226,500	1,981,585	-	-	2,226,500	1,981,585	-	-	-	-	-	-
SGP	SYNERGY GRID & DEV., INC.	2,509,970	16,440,304	-	-	2,509,970	16,440,304	-	-	-	-	-	-
SHLPH	PILIPINAS SHELL PETROLEUM CORP.	525,510	5,749,079	-	-	525,510	5,749,079	-	-	-	-	-	-
SHNG	SHANG PROPERTIES, INC	2,004,636	7,357,014	-	-	2,004,636	7,357,014	-	-	-	-	-	-
SLF	SUN LIFE FINANCIAL, INC.	2,715	7,384,800	-	-	2,715	7,384,800	-	-	-	-	-	-
SLI	STA. LUCIA LAND, INC.	786,150	2,672,910	-	-	786,150	2,672,910	-	-	-	-	-	-
SM	SM INVESTMENTS CORPORATION	52,509	45,787,848	-	-	52,509	45,787,848	-	-	-	-	-	-
SMC	SAN MIGUEL CORP.	724,375	73,958,688	-	-	724,175	73,938,268	200	20,420	-	-	-	-

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STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
SMC2F	SAN MIGUEL CORP. SERIES 2-F PREF.	290,000	21,025,000	-	-	290,000	21,025,000	-	-	-	-	-	-
SMC2I	SAN MIGUEL CORP. - SERIES 2-I PREF.	21,900	1,543,950	-	-	21,900	1,543,950	-	-	-	-	-	-
SMC2J	SAN MIGUEL CORP. - SERIES 2-J PREF.	83,600	5,680,620	-	-	83,600	5,680,620	-	-	-	-	-	-
SMC2K	SAN MIGUEL CORP. SERIES 2- K PREF.	256,200	17,421,600	-	-	256,200	17,421,600	-	-	-	-	-	-
SMC2L	SAN MIGUEL CORPORATION SERIES 2 "L"	10,000	770,000	-	-	10,000	770,000	-	-	-	-	-	-
SMC2O	SAN MIGUEL CORPORATION SERIES 2-O	23,800	1,856,400	-	-	23,800	1,856,400	-	-	-	-	-	-
SMP	SAN MIGUEL PROPERTIES, INC.	20	-	-	-	20	-	-	-	-	-	-	-
SMPH	SM PRIME HOLDINGS, INC.	971,906	31,975,707	-	-	971,906	31,975,707	-	-	-	-	-	-
SOC	SOC RESOURCES, INC	3,105,500	1,117,980	-	-	3,105,500	1,117,980	-	-	-	-	-	-
SPC	SPC POWER CORPORATION	631,200	4,418,400	-	-	631,200	4,418,400	-	-	-	-	-	-
SPM	SEAFRONT PET. "A"	923,228	1,301,751	-	-	923,228	1,301,751	-	-	-	-	-	-
SPNEC	SOLAR PHILIPPINES	10,060,843	13,280,313	-	-	10,060,843	13,280,313	-	-	-	-	-	-
SSI	SSI GROUP, INC.	1,142,900	2,594,383	-	-	1,142,900	2,594,383	-	-	-	-	-	-
SSP	SFA SEMICON PHILIPPINES CORP.	1,224,000	2,705,040	-	-	1,224,000	2,705,040	-	-	-	-	-	-
STI	STI EDUCATION SYSTEMS HOLDINGS, INC	4,770,000	2,313,450	-	-	4,770,000	2,313,450	-	-	-	-	-	-
STN	STENIEL MANUFACTURING CORP.	7,308,127	-	-	-	7,308,127	-	-	-	-	-	-	-
STR	VISTAMALLS, INC.	57,000	137,370	-	-	57,000	137,370	-	-	-	-	-	-
SUN	SUNTRUST HOME DEVELOPERS, INC.	3,728,600	3,169,310	-	-	3,728,600	3,169,310	-	-	-	-	-	-
SWM	SANITARY WARES MFG., CORP.	782,950	-	-	-	782,950	-	-	-	-	-	-	-
T	TKC METALS CORPORATION	659,250	273,589	-	-	659,250	273,589	-	-	-	-	-	-
TBGI	TRANSPACIFIC BROADBAND GROUP INC.	13,620,000	1,852,320	-	-	13,620,000	1,852,320	-	-	-	-	-	-
TECH	CIRTEK HOLDINGS PHILIPPINES CORP.	1,057,863	1,682,002	-	-	1,057,863	1,682,002	-	-	-	-	-	-
TECHW	CIRTEK HLDNGS PHILS.BONUS WARRANT	710,072	188,169	-	-	710,072	188,169	-	-	-	-	-	-
TEL	PLDT, INC.	45,408	58,076,832	-	-	45,408	58,076,832	-	-	-	-	-	-
TFC	PTFC REDEVELOPMENT CORP.	600	29,400	-	-	600	29,400	-	-	-	-	-	-
TFHI	TOP FRONTIER INVESTMENT HLDGS., INC	34,454	3,510,863	-	-	34,454	3,510,863	-	-	-	-	-	-
TUGS	HARBOR STAR SHIPPING SERVICES, INC.	585,504	444,983	-	-	585,504	444,983	-	-	-	-	-	-
UBP	UNION BANK OF THE PHILS.	619,973	31,215,641	-	-	619,973	31,215,641	-	-	-	-	-	-
UNI	UNIOIL RESOURCES HOLDINGS CO., INC.	18,564,500	4,566,867	-	-	18,564,500	4,566,867	-	-	-	-	-	-
UP	UNIVERSAL RIGHTFIELD	23,989,160	-	-	-	23,989,160	-	-	-	-	-	-	-
UPM	UNITED PARAGON MINING CORP.	1,402,284,750	5,609,139	-	-	1,402,284,750	5,609,139	-	-	-	-	-	-
UPSON	UPSON INT'L CORP.	36,000	59,040	-	-	36,000	59,040	-	-	-	-	-	-
URC	UNIVERSAL ROBINA CORP.	176,460	20,857,572	-	-	176,460	20,857,572	-	-	-	-	-	-
UW	UNIWIDE HOLDINGS, INC.	44,878,000	-	-	-	44,878,000	-	-	-	-	-	-	-
V	VANTAGE EQUITIES, INC.	18,045,362	13,894,929	-	-	18,045,362	13,894,929	-	-	-	-	-	-
VITA	VITARICH CORP.	4,473,800	2,326,376	-	-	4,472,800	2,325,856	-	-	1,000	520	-	-
VLL	VISTA LAND & LIFESCAPES, INC.	3,075,445	5,166,748	-	-	3,075,445	5,166,748	-	-	-	-	-	-
VMC	VICTORIAS MILLING CO., INC.	4,905,299	14,764,950	-	-	4,905,299	14,764,950	-	-	-	-	-	-
VREIT	VISTA REIT	1,350,000	2,254,500	-	-	1,350,000	2,254,500	-	-	-	-	-	-
VVT	VIVANT CORPORATION	5,137	73,459	-	-	5,137	73,459	-	-	-	-	-	-
WEB	PHILWEB CORPORATION	5,370,150	9,290,360	-	-	5,370,150	9,290,360	-	-	-	-	-	-
WHI	WISE HOLDINGS, INC.	289,842	-	-	-	-	-	-	-	289,842	-	-	-
WIN	WELLEX INDUSTRIES, INC.	12,815,626	2,947,594	-	-	12,815,626	2,947,594	-	-	-	-	-	-
WLCON	WILCON DEPOT, INC.	202,600	4,234,340	-	-	202,600	4,234,340	-	-	-	-	-	-
WPI	WATERFRONT PHILS. INC.	2,885,700	1,082,138	-	-	2,885,700	1,082,138	-	-	-	-	-	-
X	XURPAS, INC.	2,034,700	388,628	-	-	2,034,700	388,628	-	-	-	-	-	-
ZHI	ZEUS HOLDINGS, INC.	43,150,000	3,063,650	-	-	43,150,000	3,063,650	-	-	-	-	-	-
Total		11,398,390,431	4,585,212,075	70,832,147	41,844,859	11,367,648,397	4,584,799,423	1,266,289	40,870,312	100,307,892	1,387,199	-	-

SCHEDULE VII

ANSALDO, GODINEZ & CO., INC.
SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE
REVISED SRC RULE 68
FINANCIAL SOUNDNESS INDICATORS
For The Year Ended December 31, 2023 and 2022

Current Ratio

	2023	2022
Total current assets	P 277,069,322	P 285,381,643
Total current liabilities	210,589,767	218,899,375
Current ratio	1.316:1	1.304:1

Quick Ratio

	2023	2022
Total liquid asset	P 276,418,739	P 284,648,988
Total current liabilities	210,589,767	218,899,375
Quick ratio	1.313:1	1.3:1

Working Capital to Total Asset

	2023	2022
Working capital	P 66,479,555	P 66,482,268
Total Asset	347,455,994	352,586,125
Working capital ratio	0.191:1	0.189:1

Solvency Ratio

	2023	2022
Net income (loss) after tax + Depreciation	P 546,868	P 2,295,233
Total liabilities	210,589,767	218,899,375
Solvency ratio	0.003:1	0.01:1

Debt-to-equity Ratio

	2023	2022
Total liabilities	P 210,589,767	P 218,899,375
Total equity	136,866,227	133,686,750
Debt-to-equity ratio	1.539:1	1.637:1

SCHEDULE VII

ANSALDO, GODINEZ & CO., INC. SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE REVISED SRC RULE 68 FINANCIAL SOUNDNESS INDICATORS For The Year Ended December 31, 2023 and 2022

Asset-to-equity Ratio

	2023	2022
Total assets	P 347,455,994	P 352,586,125
Total equity	136,866,227	133,686,750
Asset to equity ratio	2.539:1	2.637:1

Interest Rate Coverage Ratio

	2023	2022
Pre-tax profit (loss) before interest	P (1,412,754)	P 2,941,101
Interest expense	-	-
Interest rate ratio	N/A	N/A

Profitability Ratios

a.) Return on asset ratio

	2023	2022
Net income (loss) after tax	P 156,484	P 2,126,140
Average assets	350,021,060	352,586,125
	0:1	0.006:1

b.) Return on equity ratio

	2023	2022
Net income (loss) after tax	P 156,484	P 2,126,140
Average equity	135,276,489	133,686,750
	0.001:1	0.016:1

c.) Net Profit Margin

	2023	2022
Net profit (loss) after tax	P 156,484	P 2,126,140
Revenue (loss)	11,054,444	11,490,795
	0.014:1	0.185:1

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
For the Reporting Period Ended December 31, 2023

ANSALDO, GODINEZ & CO., INC.
340 E.T. Yuchengco Street, Binondo, Manila

Unappropriated Retained Earnings, beginning of reporting period		P 21,188,167
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
• Reversal of Retained Earnings Appropriation/s	-	
• Effect of restatements or prior-period adjustments	-	
• Reclassified from other comprehensive income	1,035,593	1,035,593
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
• Dividends declaration during the reporting period	-	
• Retained Earnings appropriated during the reporting period	15,648	
• Effect of restatements or prior-period adjustments	-	
• Others	-	15,648
Unappropriated Retained Earnings, as adjusted		22,208,112
Add/Less: Net Income (Loss) for the current year		156,484
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
• Equity in net income of associate/joint venture, net of dividends declared	-	
• Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
• Unrealized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	(218,579)	
• Unrealized fair value gain of Investment Property	-	
• Other unrealized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-	
• Sub-total		<u>(218,579)</u>
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
• Realized foreign exchange gain, except those attributable to cash and cash equivalents	-	
• Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
• Realized fair value gain of Investment Property	-	
• Other realized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-	
• Sub-total		<u>-</u>

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
For the Reporting Period Ended December 31, 2023

ANSALDO, GODINEZ & CO., INC.
340 E.T. Yuchengco Street, Binondo, Manila

Add: Category C.3: Unrealized income recognized in the profit or loss in prior reporting periods but reversed in the current reporting period (net of tax)	
• Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-
• Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
• Reversal of previously recorded fair value gain of Investment Property	-
•	
Reversal of other unrealized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-
• Sub-total	-
Adjusted Net Income (Loss)	375,063
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)	
• Depreciation on revaluation increment (after tax)	-
• Sub-total	-
Add/Less: Category E: Adjustments related to relief granted by SEC and BSP	
• Amortization of the effect of reporting relief	-
• Total amount of reporting relief granted during the year	-
• Others	-
• Sub-total	-
Add/Less: Category F: Other items that should be excluded from the determination of the amount available for dividends distribution	
• Net movement of treasury shares (except for reacquisition of redeemable shares)	-
• Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-
• Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-
• Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
• Others	-
• Sub-total	-
TOTAL RETAINED EARNINGS, END OF THE REPORTING PERIOD AVAILABLE FOR DIVIDEND DECLARATION	P 22,583,175