Gmail

Janet Presquito <janetpresq@gmail.com>

CUALOPING AFS 2023

2 messages

Janet Presquito <janetpresq@gmail.com> Thu, May 2, 2024 at 6:59 PM
To: ictdsubmission@sec.gov.ph
Cc: Cualoping Securities Corp <cualopingseccorp@yahoo.com>

Good day!

We are sending the attached report as per instruction received through EFAST - *"to re-submit the report as 52AR form with FS"*.

Kindly acknowledge receipt.

Thank you.

--
Janet Presquito - Ybañez
Mobile No. 09173225823

CUALOPING_AFS 2023.pdf
5922K

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Thu, May 2, 2024 at 6:59 PM
To: janetpresq@gmail.com

Thank you for reaching out to ictdsubmission@sec.gov.ph!

Your submission is subject for Verification and Review of the Quality of the Attached Document only for Secondary Reports. The Official Copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 7 working days via order through the SEC Express at https://secexpress.ph/. For further clarifications, please call (02) 8737-8888.

-- NOTICE TO COMPANIES --

Please be informed of the reports that shall be filed only through ictdsubmission@sec.gov.ph.

Pursuant to SEC MC Circular No. 3 s 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (pdf) through email at ictdsubmission@sec.gov.ph such as the following SECONDARY REPORTS:

1. 17-A 6. ICA-QR 11. IHAR 16. 39-AR 21. Monthly Reports
2. 17-C 7. 23-A 12. AMLA-CF 17. 36-AR 22. Quarterly Reports
3. 17-L 8. 23-B 13. NPM 18. PNFS 23. Letters
4. 17-Q 9. GIS-G 14. NPAM 19. MCG 24. OPC (Alternate Nominee)
5. ICASR 10. 52-AR 15.BP-FCLC 20.S10/SEC-NTCE-EXEMPT

Further, effective 01 July 2023, the following reports shall be submitted through https://efast.sec.gov.ph/user/login.

1. FORM MC 18 7. Completion Report
2. FORM 1 - MC 19 8. Certificate-SEC Form MCG- 2009
3. FORM 2- MC 19 9. Certificate-SEC Form MCG- 2002, 2020 ETC.
4. ACGR 10. Certification of Attendance in Corporate Governance
5. I-ACGR 11. Secretary's Certificate Meeting of Board Directors (Appointment)
6. MRPT

Please be informed that the submission of the abovementioned eleven (11) reports through the ictdsubmission@sec.gov.ph shall no longer be accepted. For further information, please access this link Notice for guidance on the filing of reports:

Likewise, the following reports shall be filed through the Electronic Filing and Submission Tool (eFAST) at https://efast.sec.gov.ph/user/login :

1. AFS 7. IHFS 13. SSF
2. GIS 8. LCFS 14. AFS with Affidavit of No Operation
3. BDFS 9. LCIF 15. AFS with NSPO Form 1,2, and 3
4. FCFS 10. OPC_AO 16. AFS with NSPO Form 1,2,3 and 4,5,6
5. FCIF 11. PHFS 17. FS - Parent
6. GFFS 12. SFFS 18. FS – Consolidated

For the submission and processing of compliance in the filing of Memorandum Circular No. 28 Series of 2020, please visit this link – https://apps010.sec.gov.ph/

For your information and guidance.

Thank you.

Reference No : 462400059200960
Date Filed : April 15, 2024 03:34 PM
Batch Number : 0

Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

For BIR Use Only: BCS/ Item:

BIR Form No. **1702-RT** January 2018(ENCS) **Page 1**	**Annual Income Tax Return** **For Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate** *Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X". Two Copies MUST be filed with the BIR and one held by the taxpayer.*	1702-RT 01/18ENCS P1

1 For (•) Calendar ( ) Fiscal **2** Year Ended (MM/20YY) 12/2023	**3** Amended Return? ( ) Yes (•) No	**4** Short Period Return? ( ) Yes (•) No	**5** Alphanumeric Tax Code (ATC) IC055 Minimum Corporate Income Tax (MCIT) ☑ IC010 DOMESTIC CORPORATION IN GENERAL ☑

Part I - Background Information

6 Taxpayer Identification Number (TIN) 000 - 333 - 333 - 000 **7** RDO Code 049

8 Registered Name *(Enter only 1 letter per box using CAPITAL LETTERS)*
CUALOPING SECURITIES CORP

9A Registered Address *(Indicate complete registered address)*
UNIT 061 LEVEL 3 AYALA MALL CIRCUIT HIPPODROMO MAKATI CITY

9B Zipcode 1207

10 Date of Incorporation/Organization (MM/DD/YYYY) 03/07/1979

11 Contact Number	**12** Email Address
7083229	cualopingseccorp@yahoo.com

13 Method of Deductions (•) Itemized Deductions [Section 34 (A-J), NIRC] ( ) Optional Standard Deduction (OSD) - 40% of Gross Income [Section 34(L), NIRC as amended by RA No. 9504]

Part II - Total Tax Payable *(Do NOT enter Centavos)*

14 Total Income Tax Due (Overpayment) *(From Part IV Item 43)*		0
15 Less: Total Tax Credits/Payments *(From Part IV Item 55)*		509,290
16 Net Tax Payable (Overpayment) *(Item 14 Less Item 15) (From Part IV Item 56)*		(509,290)
Add Penalties		
17 Surcharge	0	
18 Interest	0	
19 Compromise	0	
20 Total Penalties *(Sum of Items 17 to 19)*		0
21 TOTAL AMOUNT PAYABLE (Overpayment) *(Sum of Item 16 and 20)*		(509,290)

If Overpayment, mark "X" one box only *(Once the choice is made, the same is irrevocable)*

( ) To be refunded ( ) To be issued a Tax Credit Certificate (TCC) (•) To be carried over as tax credit next year/quarter

We declare under the penalties of perjury, that this annual return has been made in good faith, verified by us, and to the best of our knowledge and belief, is true and correct pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. *(If Authorized Representative, attach authorization letter and indicate TIN)*

Signature over printed name of President/Principal Officer/Authorized Representative				Signature over printed name of Treasurer/Assistant Treasurer				**22** Number of Attachments
Title of Signatory		TIN		Title of Signatory		TIN		4

Part III - Details of Payment

Particulars	Drawee Bank/Agency	Number	Date *(MM/DD/YYYY)*	Amount
23 Cash/Bank Debit Memo				0
24 Check				0
25 Tax Debit Memo				0
26 Others *(Specify Below)*				
				0

Machine Validation/Revenue Official Receipts Details *(if not filed with an Authorized Agent Bank)*	*Stamp of receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)*

BIR Form No. **1702-RT** January 2018(ENCS) **Page 2**	**Annual Income Tax Return** **Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate**	1702-RT 01/18ENCS P2

Taxpayer Identification Number (TIN)	**Registered Name**
000 - 333 - 333 - 000	CUALOPING SECURITIES CORP

Part IV - Computation of Tax	*(Do NOT enter Centavos)*
27 Sales/Receipts/Revenues/Fees	350,068
28 Less: Sales Returns, Allowances and Discounts	0
29 Net Sales/Receipts/Revenues/Fees *(Item 27 Less Item 28)*	350,068
30 Less: Cost of Sales/Services	1,317,982
31 Gross Income from Operation *(Item 29 Less Item 30)*	(967,914)
32 Add: Other Taxable Income Not Subjected to Final Tax	1,727
33 Total Taxable Income *(Sum of Items 31 and 32)*	(966,187)

Less: Deductions Allowable under Existing Law		
34 Ordinary Allowable Itemized Deductions *(From Part VI Schedule I Item 18)*	4,237,234	
35 Special Allowable Itemized Deductions *(From Part VI Schedule II Item 5)*	0	
36 NOLCO *(only for those taxable under Sec. 27(A to C); Sec. 28(A)(1) & (A)(6)(b) of the tax Code) (From Part VI Schedule III Item 8)*	0	
37 Total Deductions *(Sum of Items 34 to 36)*	4,237,234	
OR *[in case taxable under Sec 27(A) & 28(A)(1)]*		
38 Optional Standard Deduction *(40% of Item 33)*	0	

39 Net Taxable Income/(Loss) *(If Itemized: Item 33 Less Item 37; If OSD: Item 33 Less Item 38)*	(5,203,421)
40 Applicable Income Tax Rate	25 %
41 Income Tax Due other than Minimum Corporate Income Tax (MCIT) *(Item 39 x Item 40)*	0
42 MCIT Due *(2% of Item 33)*	0
43 Tax Due *(Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher) (To Part II Item 14)*	0

Less: Tax Credits/Payments (attach proof)	
44 Prior Year's Excess Credits Other Than MCIT	492,295
45 Income Tax Payment under MCIT from Previous Quarter/s	0
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s	0
47 Excess MCIT Applied this Current Taxable Year *(From Part VI Schedule IV Item 4)*	0
48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307	5,704
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter	11,291
50 Foreign Tax Credits, if applicable	0
51 Tax Paid in Return Previously Filed, if this is an Amended Return	0
52 Special Tax Credits *(To Part V Item 58)*	0
Other Credits/Payments *(Specify)*	
53	0
54	0

55 Total Tax Credits/Payments *(Sum of Items 44 to 54) (To Part II Item 15)*	509,290
56 Net Tax Payable / (Overpayment) *(Item 43 Less Item 55)) (To Part II Item 16)*	(509,290)

Part V - Tax Relief Availment	
57 Special Allowable Itemized Deductions *(Item 35 of Part IV x Applicable Income Tax Rate)*	0
58 Add: Special Tax Credits *(From Part IV Item 52)*	0
59 Total Tax Relief Availment *(Sum of Items 57 and 58)*	0

BIR Form No.
1702-RT
January 2018(ENCS)
Page 3

Annual Income Tax Return

Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate

1702-RT 01/18ENCS P3

Taxpayer Identification Number (TIN)	**Registered Name**
000 - 333 - 333 - 000	CUALOPING SECURITIES CORP

Schedule I - Ordinary Allowable Itemized Deductions *(Attach additional sheet/s, if necessary)*

1 Amortizations	0
2 Bad Debts	0
3 Charitable Contributions	0
4 Depletion	0
5 Depreciation	157,050
6 Entertainment, Amusement and Recreation	0
7 Fringe Benefits	0
8 Interest	1,059,110
9 Losses	0
10 Pension Trust	0
11 Rental	270,308
12 Research and Development	0
13 Salaries, Wages and Allowances	1,401,937
14 SSS, GSIS, Philhealth, HDMF and Other Contributions	0
15 Taxes and Licenses	76,086
16 Transportation and Travel	158,487
17 Others (Deductions Subject to Withholding Tax and Other Expenses) *[Specify below; Add additional sheet(s), if necessary]*	
a Janitorial and Messengerial Services	0
b Professional Fees	197,000
c Security Services	0
d CONDOMINIUM DUES	284,882
e UTILITIES EXPENSE	240,078
f POSTAGE, TELEPHONE AND COMMUNICATION	99,235
g OFFICE SUPPLIES	59,005
h INSURANCE	53,380
i OTHERS	180,676

i.1	REPAIRS AND MAINTENANCE	18,705
i.2	MEETING AND CONFERENCE	8,000
i.3	SUBSCRIPTION AND PERIODICAL	3,225
i.4	BANK CHARGES	1,583
i.5	TRAINING AND SEMINARS	804
i.6	MISCELLANEOUS	148,359

18 Total Ordinary Allowable Itemized Deductions *(Sum of Items 1 to 17i) (To Part IV Item 34)*	4,237,234

Schedule II - Special Allowable Itemized Deductions *(Attach additional sheet/s, if necessary)*

	Description	Legal Basis	Amount
1			0
2			0
3			0
4			0

5 Total Special Allowable Itemized Deductions *(Sum of Items 1 to 4) (To Part IV Item 35)*	0

BIR Form No. **1702-RT** January 2018(ENCS) **Page 4**	**Annual Income Tax Return** **Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate**	1702-RT 01/18ENCS P4

Taxpayer Identification Number (TIN)	**Registered Name**
000 - 333 - 333 - 000	CUALOPING SECURITIES CORP

Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)

1 Gross Income *(From Part IV Item 33)*	(966,187)
2 Less: Ordinary Allowable Itemized Deductions *(From Part VI Schedule I Item 18)*	4,237,234
3 Net Operating Loss*(Item 1 Less Item 2) (To Schedule IIIA, Item 7A)*	(5,203,421)

Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) *(DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)*

	Net Operating Loss		B) NOLCO Applied Previous Year
	Year Incurred	A) Amount	
4	2023	5,203,421	0
5	2022	4,250,433	0
6	2021	2,589,409	0
7	2020	4,242,766	0

Continuation of Schedule IIIA (Item numbers continue from table above)

	C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) *[E = A Less (B + C + D)]*
4	0	0	5,203,421
5	0	0	4,250,433
6	0	0	2,589,409
7	0	0	4,242,766
8 Total NOLCO *(Sum of Items 4D to 7D) (To Part IV, Item 36)*		0	

Schedule IV - Computation of Minimum Corporate Income Tax (MCIT)

	Year	A) Normal Income Tax as adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1	2022	0	4,901	4,901
2	2021	0	61,991	61,991
3		0	0	0

Continuation of Schedule IV *(Item numbers continue from table above)*

	D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	**F) Excess MCIT Applied this Current Taxable Year**	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [G = C Less (D + E + F)]
1	0	0	0	4,901
2	0	0	0	61,991
3	0	0	0	0
Total Excess MCIT Applied *(Sum of Items 1F to 3F) (To Part IV Item 47)*			0	

Schedule V - Reconciliation of Net Income per Books Against Taxable Income *(attach additional sheet/s, if necessary)*

1	Net Income/(Loss) per books	(6,400,727)
	Add: Non-deductible Expenses/Taxable Other Income	
2	UNREALIZED MARKET LOSS	4,524,230
3	OTHERS	294,527
3.1	DEPRECIATION OF RIGHT OF USE ASSET	240,012
3.2	CREDIT LOSSES	17,935
3.3	FINANCE COST RELATED TO LEASE LIABILITY	12,133
3.4	FINES AND PENALTIES	14,006
3.5	INTEREST EXPENSE	5,141
3.6	LOSS ON CONCESSION	5,300
4	Total *(Sum of Items 1 to 3)*	(1,581,970)
	Less: A) Non-Taxable Income and Income Subjected to Final Tax	
5	DIVIDEND INCOME	3,224,558
6	OTHERS	396,893

6.1	ACTUAL RENT	270,308
6.2	UNREALIZED FOREIGN EXCHANGE GAIN	106,022
6.3	INTEREST INCOME	20,563

B) Special Deductions

7		0
8		0

9 Total (Sum of Items 5 to 8)	3,621,451
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)	(5,203,421)

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

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT TO ACCOMPANY FINANCIAL STATEMENT FOR FILING WITH THE BUREAU OF INTERNAL REVENUE

To the Board of Directors
CUALOPING SECURITIES CORPORATION
Unit 061Level 3 Ayala Malls Circuit,
Hipodromo Street Circuit Makati
Brgy. Carmona Makati City

We have audited the financial statements of **CUALOPING SECURITIES CORPORATION** for the year ended December 31, 2023, on which we have rendered the attached report dated April 11, 2024.

In compliance with Revenue Regulations V-20, we are stating the following:

1. The taxes paid and accrued by the above Company for the year ended December 31, 2023 are shown in the Schedule of Taxes and Licenses.

2. No partner of our Firm is related by consanguinity or affinity to the president, manager or principal shareholders of the Company.

PEREZ, SESE, VILLA & CO.

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

CPA License No. 0054588
Tax Identification No. 212-955-173-000
PTR No. 1533625, 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. 04-003494-1-2024, 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 11, 2024

CUALOPING SECURITIES CORPORATION

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 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: **CUALOPING SECURITIES CORPORATION**

Address of Principal Place of Business: **Unit 061 Level 3 Ayala Malls Circuit , Hipodromo Street Circuit Makati, Brgy. Carmona Makati City**

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

Name: **JANET PRESQUITO** Tel. No. **(02) 708-3229**
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.

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

Certificate Number: **54588**

PTR Number : **1533625** Date Issued: **January 4, 2024**

CUALOPING SECURITIES CORPORATION
TABLE OF CONTENTS

ANNUAL AUDITED FINANCIAL REPORT PACKAGE
DECEMBER 31, 2023

Cualoping Securities Corporation
Member: Philippine Stock Exchange, Inc.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **CUALOPING SECURITIES CORPORATION** 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, including the schedules attached therein, and submits the same to the shareholders.

PEREZ, SESE, VILLA & CO., the independent auditors appointed by the shareholders for the years ended December 31, 2023 and 2022, respectively, have audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their report to the shareholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

SANTIAGO S. CUA, JR.
Chairman of the Board

SIMEON S. CUA
President

GLENN NELSON M. MACAVINTA
Treasurer

Signed this 11th day of April 2024.

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the MAKATI CITY Philippines, this __________, 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

DOC. NO. 37
PAGE NO. 09
BOOK NO. 35
SERIES OF 2024

ATTY. ROMEO M. MONFORT
Notary Public City of Makati
Until December 31, 2025
Appointment No. M-032 (2024-2025)
PTR No. 10073908 Jan. 2, 2024 Makati City
IBP No. 391330 Jan. 3, 2014 Pasig / Roll No. 27932
MCLE NO. VII-0027570 Issued April 3, 2023
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

Cualoping Securities Corporation
Member: Philippine Stock Exchange, Inc.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

The Management of **CUALOPING SECURITIES CORPORATION** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2023. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return and Annual Information Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2023 and the accompanying Annual Income Tax Return are in accordance with the books and records of **CUALOPING SECURITIES CORPORATION** complete and correct in all material respects. Management likewise affirms that:

(a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;

(b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;

(c) the **CUALOPING SECURITIES CORPORATION** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

BY:
CUALOPING SECURITIES CORPORATION

SANTIAGO S. CUA, JR.
Chairman of the Board

SIMEON S. CUA
President

GLENN NELSON M. MACAVINTA
Treasurer

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
CUALOPING SECURITIES CORPORATION
Unit 061 Level 3 Ayala Malls Circuit,
Hipodromo Street Circuit Makati
Brgy. Carmona Makati City

We have audited the financial statements of **CUALOPING SECURITIES CORPORATION** for the year ended December 31, 2023, on which we have rendered the attached report dated April 11, 2024.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the said 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 of 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. 1533625, 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. 04-003494-1-2024, 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 11, 2024

PEREZ, SESE, VILLA & CO.
CERTIFIED PUBLIC ACCOUNTANTS
admin@psv.co.com
(02) 8 934-3984
9th Flr. Unit C MARC 2000 Tower
1973 Taft Ave. cor. San Andres St.
Malate, Manila 1004

REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES

To the Board of Directors and Shareholders
CUALOPING SECURITIES CORPORATION
Unit 061 Level 3 Ayala Malls Circuit,
Hipodromo Street Circuit Makati,
Brgy. Carmona Makati City

We have audited the financial statements of **CUALOPING SECURITIES CORPORATION** for the year ended December 31, 2023 in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated April 11, 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
PTR No. 1533625, 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. 04-003494-1-2024, 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 11, 2024.

admin@psv-co.com
(02) 8 994-3584
9th Flr. Unit C-MARC 2000 Tower
1973 Taft Ave. cor. San Andres St.
Malate, Manila 1004

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors and Shareholders
CUALOPING SECURITIES CORPORATION
Unit 061Level 3 Ayala Malls Circuit,
Hipodromo Street Circuit Makati
Brgy. Carmona Makati City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **CUALOPING SECURITIES CORPORATION** (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 years then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

We conducted our audit 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 Club 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 audit 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 Deceber 31, 2023 required by the Bureau of Internal Revenue as disclosed in Note 34 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
Tax Identification No. 212-955-173-000
PTR No. 1533625, 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. 04-003494-1-2024, 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 11, 2024

CUALOPING SECURITIES CORPORATION
STATEMENTS OF FINANCIAL POSITION
December 31, 2023 and 2022

	Notes	2023	Security Position (2023) Long	Security Position (2023) Short	2022	Security Position (2022) Long	Security Position (2022) Short
ASSETS							
Current Assets							
Cash and cash equivalents	4,5,6	₱ 13,854,562	₱	₱	₱ 12,736,465	₱	₱
Financial asset at fair value through profit or loss	4,7	40,783,134	40,783,134		45,307,364	45,307,364	
Receivables from customers and other brokers, net	4,5,8	976,383	14,030,476		2,339,956	33,494,139	
Other receivables	4,5,9	120,591			126,496		
Prepayments and other current assets	4,5,11	2,337,556			2,175,757		
Total Current Assets		58,072,226	54,813,610		62,686,038	78,801,503	
Non-Current Assets							
Financial asset at fair value through other comprehensive incom	4,10	34,680,000	34,680,000		32,232,000	32,232,000	
Property and equipment, net	4,5,13	18,616,723			18,698,659		
Intangible asset, net	4,5,14	402,223			402,223		
Deferred tax asset, net	4,5,27	4,767,301			3,034,949		
Right of use asset	4,5,28	60,004			300,016		
Refundable deposits	4,5,13	185,895			184,550		
Total Non-Current Assets		58,712,146	34,680,000		54,852,397	32,232,000	
TOTAL ASSETS		₱ 116,784,372	89,493,610	₱	₱ 117,538,435	₱ 111,033,503	
Securities in Vault, Transfer Office and Philippine Depository and Trust Corp.			₱	₱ 6,099,241,749		₱	₱ 6,274,395,906
LIABILITIES AND EQUITY							
Current Liabilities							
Payable to customers	4,16	₱ 14,308,827	₱ 6,009,748,139	₱	₱ 10,614,533	₱ 6,163,362,403	₱
Payable to clearing house	4,17	129,900			244,000		
Lease liability	4,28	65,600			318,475		
Mortgage payable - current	4,20	2,770,060			2,680,849		
Other payables	4,18	472,577			571,385		
Other current liabilities	4,19	75,610			67,749		
Total Current Liabilities		17,822,574	6,009,748,139		14,496,991	6,163,362,403	
Non-Current Liability							
Mortgage payable - noncurrent	4,20	7,779,031			10,638,302		
Total Liabilities		25,601,605	6,009,748,139		25,135,293	6,163,362,403	
Equity							
Share capital	4,21	56,250,000			55,250,000		
Revaluation increment	4,21	30,300,400			28,464,400		
Retained earnings	4,21	4,632,367			8,688,742		
Total Equity		91,182,767			92,403,142		
TOTAL LIABILITIES AND EQUITY		₱ 116,784,372	₱ 6,099,241,749	₱ 6,099,241,749	₱ 117,538,435	₱ 6,274,395,906	₱ 6,274,395,906

(See accompanying Notes to Financial Statements)

CUALOPING SECURITIES CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended December 31, 2023 and 2022

	Notes	2023	2022
INCOME			
Commission income	4,22	₱ 345,208	₱ 1,594,659
Dividend income	4,7,10	3,224,558	3,298,581
Gain on sale of financial assets at FVPL, net	4,7	4,860	86,394
Unrealized loss on financial assets at FVPL, net	4,7	(4,524,230)	(2,904,536)
Total		(949,604)	1,988,704
DIRECT COSTS	4,23	(1,317,982)	(1,192,734)
GROSS INCOME (LOSS)		(2,267,586)	795,970
OPERATING EXPENSES	4,24	(3,185,069)	(3,760,051)
INCOME (LOSS) FROM OPERATION		(5,452,655)	(2,964,081)
OTHER INCOME	4,25	128,312	118,054
FINANCE COSTS	4,20,28	(1,076,384)	(999,358)
NET INCOME (LOSS) BEFORE INCOME TAX		(6,400,727)	(3,758,991)
INCOME TAX BENEFITS	4,27		
Current		-	4,901
Deferred		(2,344,352)	(750,957)
		(2,344,352)	(746,056)
NET INCOME (LOSS) FOR THE YEAR		(4,056,375)	(3,012,935)
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that will not be reclassified			
subsequently to profit or loss	4,10,21		
Changes in fair value of available for sale financial assets		2,448,000	(11,628,000)
Tax effect		(612,000)	2,907,000
		1,836,000	(8,721,000)
TOTAL COMPREHENSIVE LOSS		₱ (2,220,375)	₱ (11,733,935)

(See accompanying Notes to Financial Statements)

CUALOPING SECURITIES CORPORATION
STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2023 and 2022

	Notes		2023		2022
SHARE CAPITAL	4,21				
Balance at beginning of the year		₱	**55,250,000**	₱	55,250,000
Issuance			**1,000,000**		-
Balance at end of the year			**56,250,000**		55,250,000
REVALUATION INCREMENT	4,21				
Balance at beginning of the year			**28,464,400**		37,185,400
Other comprehensive income (loss) for the year			**1,836,000**		(8,721,000)
Balance at end of the year			**30,300,400**		28,464,400
RETAINED EARNINGS	4,21				
Unappropriated					
Balance at beginning of the year			**4,676,467**		7,689,402
Net income (loss) for the year			**(4,056,375)**		(3,012,935)
Appropriation for the year per SRC Rule 49.1					
Balance at end of the year			**620,092**		4,676,467
Appropriated					
Balance at beginning of the year			**4,012,275**		4,012,275
Appropriation for the year per SRC Rule 49.1			**-**		-
Balance at end of the year			**4,012,275**		4,012,275
Total Retained Earnings			**4,632,367**		8,688,742
TOTAL EQUITY		₱	**91,182,767**	₱	92,403,142

(See accompanying Notes to Financial Statements)

CUALOPING SECURITIES CORPORATION
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss before tax		₱ (6,400,727)	₱ (3,758,991)
Adjustment to reconcile net loss to			
Net cash provided by operating activities:			
Depreciation and amortization	4,11,14	157,050	144,601
Depreciation on ROUA	4,5,28	240,012	240,012
Finance costs on lease liability	4,28	12,133	26,713
Finance costs on mortgage payable	4,20	1,064,251	972,645
Unrealized loss on financial asset at FVPL	4,7	4,524,230	2,904,536
Unrealized foreign exchange (gain) loss	4,25	(106,022)	(73,487)
Dividend revenue	4,7	(3,224,558)	(3,298,581)
Interest income	4,6,25	(20,563)	(18,569)
Operating loss before changes in working capital		(3,754,194)	(2,861,121)
Decrease (Increase) in:			
Financial asset at fair value through profit or loss	4,7	-	(313,651)
Receivables from customers and other brokers, net	4,5,8	1,363,573	(951,547)
Other receivables	4,5,9	5,905	111,684
Prepayments and other current assets	4,5,11	(144,401)	(103,939)
Increase (Decrease) in:			
Payable to customers	4,16	3,694,294	592,843
Payable to clearing house	4,17	(114,100)	55,070
Other payables	4,18	(98,808)	(44,227)
Other current liabilities	4,19	7,861	18,598
Cash provided by (used in) operations		960,130	(3,496,290)
Interest received	4,6,25	20,563	18,569
Dividend received	4,7	3,224,558	3,298,581
Interest paid	4,20,28	(1,076,384)	(999,358)
Income tax paid	4,27	(17,398)	(4,901)
Net cash provided by (used in) operating activities		3,111,469	(1,183,399)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment of refundable deposit	4,5,15	(1,345)	(3,119)
Acquisition of intangible assets	4,5,14	(75,114)	(72,709)
Net cash used in investing activities		(76,459)	(75,828)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issuance of shares	4,21	1,000,000	-
Paymnet for lease liability	4,28	(252,875)	(238,295)
Payment of mortgage payable	4,20	(2,770,060)	(2,680,849)
Net cash used in financing activities		(2,022,935)	(2,919,144)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		1,012,075	(4,178,371)
EFFECTS OF FOREIGN EXCHANGE ON CASH AND CASH EQUIVALENTS		106,022	73,487
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		12,736,465	16,841,349
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		₱ 13,854,562	₱ 12,736,465

(See accompanying Notes to Financial Statements)

NOTE 1 - GENERAL INFORMATION

CUALOPING SECURITIES CORPORATION, (the Company) is a corporation registered with the Philippine Securities and Exchange Commission under registration number 84870 dated March 9, 1979. The Company shall engage primarily in the bonds and other financial securities and all activities directly and indirectly connected therewith or indicated thereto, and to be a member of any stocks or commodity exchange, as well as boards of realtors, national, regional or local.

On March 22, 2019, the Company's Board of Directors approved the amendment of its Articles of Incorporation changing its registered principal place of business from 1765 P.M. Guazon Street, Paco, Manila, Philippines to L03 U61 Ayala Malls Circuit, Hippodromo St., Brgy. Carmona Makati City. This was approved by the Securities and Exchange Commission on July 26, 2019.

Approval of the Financial Statement

The financial statements of the Company for the year ended December 31, 2023 including its comparative figures for the year ended December 31, 2022 were approved and authorized for issue by the Board of Directors (BOD) on April 11, 2024.

NOTE 2 - BASIS OF PRESENTATION

Statement of Compliance

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

Basis of Preparation 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.

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 assets 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.

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 is 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.

As at December 31, 2023 and 2022, the Company's cash and cash equivalents, receivables from customers and other brokers, other receivables and refundable deposits are classified under this category (Notes 6, 8, 9 and 15).

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.

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 assets classified as FVOCI in presented in Note 10.

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, payable to clearing house, other payables, mortgage payable and lease liability are classified under this category. (Note 16,17, 18, 20, and 28)

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 company expenses which the Company expects to consume in the subsequent period. Other current assets includes prepaid income tax and VAT input. 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.

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 assets accounts include purchased computer software and trading right. These are initially measured at cost less any accumulated amortization impairment losses.

Computer software is amortized over its estimated useful life of three 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.

Trading right is not amortized but is 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.

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

Any impairment loss is recognized if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its net recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that are largely independent from other assets of the Company. Impairment losses are recognized in profit or loss in the period incurred.

The net recoverable amount of an asset is the greater of its value in use or its fair value less costs to sell. Value in use is the present value of future cash flows expected to be derived from an asset while fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable and willing parties less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognized.

Other Current Liabilities

Other current liabilities include due to BIR and statutory payables. These are presented in the statement of financial position at undiscounted amounts.

Mortgage payable

Mortgage payable account represents borrowed funds from financial institutions to finance acquisition of Condominium Unit. These are recognized initially at the transaction price and is subsequently stated in the statements of financial position at amortized cost.

Mortgage payable is classified as current liability unless the Company has an unconditional right to defer settlement of the liability beyond 12 months from the reporting date.

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.

Appropriated retained earnings pertains to the restricted portion which is intended for the resource fund in compliance with SRC rule 49.1 (B). Unappropriated retained earnings represent the portion which can be declared as dividends to shareholders.

Revenue

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.

Commission

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

Gain (loss) on financial assets at FPVL

Income (loss) is recognized when the ownership of the securities is transferred to the buyer (at an amount equal to the excess of selling price over the carrying amount of securities) and as a result of year-end mark-to-mark valuation of securities at FVPL. This includes all gains and losses from changes in fair value and disposal of financial assets at FVPL. Unrealize gains or losses are recognized in profit or loss upon re-measurement of the financial asset at FVPL at each reporting date.

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.

Interest income

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

Other income

Income from other sources is recognized when earned during the period.

Other Comprehensive Income

Other components of equity comprise of items of income and expense that are not recognized in profit or loss for the year. Other Comprehensive Income pertains to cumulative fair value gains on financial asset at FVOCI.

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

Operating expenses are costs attributable to administrative, marketing, and other business activities of the Company that cannot be directly associated 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 does not have a formal retirement benefit plan. However, the Company provides retirement benefits in compliance with RA 7641. No actuarial computation was obtained during the year because the amount of provision for retirement benefits will not materially affect the fair presentation of the financial statements considering that the Company has only few employees.

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 separate 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 separate financial statements but are disclosed in the notes to separate 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 periods(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 JUDGMENTS 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:

Judgment

In the process of applying the Company's accounting policies, management has made the following judgments, 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 30.

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 and computer equipment under intangibles:

Particulars	Useful Lives
Condominium Unit	25 years
Leasehold Improvement	10 years
Furniture, Fixtures & Office 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 27.

NOTE 6 - CASH AND CASH EQUIVALENTS

This account consists of:

		2023		2022
Petty cash fund	₱	**15,000**	₱	15,000
Cash in bank		**13,107,701**		11,982,593
Cash equivalents		**731,861**		738,872
	₱	**13,854,562**	₱	12,736,465

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 Maybank.

Interest income recognized in the Statements of Comprehensive Income amounted to ₱20,563 in 2023 and ₱18,569 in 2022. (Note 25)

The Company's 31-day dollar time deposit investment with interest rate of 0.25% amounts to USD 13,171 in 2023 and USD 13,166 in 2022, translated to Philippine Peso amounting to ₱731,861 and ₱738,872 at an exchange rate of ₱55.567 and ₱56.120 to a USD in 2023 and 2022, respectively.

In compliance with Securities Regulation Code (SRC) Rule 49.2-1, the Company maintains a special reserve bank account with Maybank amounting to ₱8,496,014 and ₱8,479,043 as at December 31, 2023 and 2022, respectively for the exclusive benefit of its customers. The Company's revenue requirement is determined based on SEC's prescribed computation. As of December 31, 2023 and 2022, the Company's reserved account are adequate to cover its required requirements.

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

This account consists of:

		2023		2022
Equities in PHISIX	₱	**8,201,446**	₱	7,138,631
Equities outside PHISIX		**32,581,688**		38,168,733
	₱	**40,783,134**	₱	45,307,364

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

		2023		2022
Balance at beginning of year	₱	**45,307,364**	₱	47,898,249
Additions		**256,000**		1,122,770
Disposals		**(256,000)**		(809,119)
Fair value adjustments		**(4,524,230)**		(2,904,536)
Balance at end of year	₱	**40,783,134**	₱	45,307,364

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 as separate line item in the statements of comprehensive income amounted to ₱3,224,558 and ₱3,298,581 in 2023 and 2022, respectively.

The Company recognizes gain on sale of financial assets at FVPL presented as part of gain on sale financial assets at FVPL in the statements of comprehensive income amounting to ₱4,860 in 2023 and ₱86,394 in 2022.

The change in fair value of financial assets at fair value through profit or loss recognized and presented as separate line item in the statements of comprehensive income amounted to a loss of ₱4,524,230 and ₱2,904,536 in 2023 and 2022, respectively.

NOTE 8 - RECEIVABLES FROM CUSTOMERS, net

This account consists of:

		2023		2022
Receivable from customers	₱	**976,183**	₱	2,339,956
Receivable from other brokers		**200**		-
	₱	**976,383**	₱	2,339,956

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%	₱	576,306)	₱	13,436,511)	₱	857,698	₱	31,477,403
Between 200% to 250%		-)		-)		-		-
Between 150% to 200%		756)		1,186)		766		1,306
Between 100% to 150%		-)		-)		1,199,875		1,558,800
		577,062)		13,437,697)		2,058,339		33,037,509
Partially secured accounts:								
Less than 100%		3,072,159)		592,779)		2,936,718		456,630
Unsecured accounts		152,161)		-)		152,161		-
		3,224,320)		592,779)		3,088,880		456,630
Less: Allowance for credit losses		(2,825,199)		-)		(2,807,263)		-
	₱	976,183)	₱	14,030,476)	₱	2,339,956	₱	33,494,139

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 30.

A reconciliation of the allowance for credit losses at the beginning and end of 2023 and 2022 is as follows:

		2023		2022
Balance at January 1	₱	2,807,263	₱	2,831,508
Credit losses		17,936		-
Recovery of allowance		-		(24,244)
Balance, December 31	₱	2,825,199	₱	2,807,263

NOTE 9 - OTHER RECEIVABLES

This account consists of:

		2023		2022
Dividends receivable	₱	3,843	₱	3,843
Advances to employees		3,056		8,961
Other receivables		113,692		113,692
	₱	120,591	₱	126,496

The table shows roll forward analysis of the other receivables:

		2023		2022
Beginning balance	₱	**208,692)**	₱	317,775)
Additions		**-)**		617,471)
Payments		**-)**		(726,554)
		208,692)		208,692)
Allowance for credit losses		**(95,000)**		(95,000)
	₱	**113,692)**	₱	113,692)

NOTE 10 - FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

This account represents investment in PSE shares amounting to ₱34,680,000 and ₱32,232,000 as at December 31, 2023 and 2022, respectively.

The fair values of the shares have been determined directly by reference to published prices in active market. Market value of the PSE shares amounts to ₱170 and ₱158 per share as of December 31, 2023 and 2022, respectively. The Company has 204,000 PSE share in 2023 and 2022.

Dividend income on cash dividend declaration from the Philippine Stock Exchange amounts to ₱2,040,000 in 2023 and ₱2,244,000 in 2022, which is presented as separate line item in the statements of comprehensive income.

Reconciliation of the carrying amount at the beginning and end of 2023 and 2022, effects of market adjustments and related deferred tax liability are as follows:

	Shares		2023	Shares		2022
Balance at beginning of the year	**204,000**	₱	**32,232,000**	204,000	₱	43,860,000
Unrealized gain (loss) during the year			**2,448,000**			(11,628,000)
Market value, end of the year	**204,000**	₱	**34,680,000**	204,000	₱	32,232,000

The fair value changes on these financial assets amounts to ₱2,448,000 and (₱11,628,000) in 2023 and 2022, respectively, these are taken directly to the equity net of related tax. Deferred tax resulting from unrealized gain (loss) on this investment amounted to (₱612,000) and ₱2,907,000 in 2023 and 2022, respectively. (Note 27)

NOTE 11 - PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

		2023		2022
VAT input	₱	**1,427,643**	₱	1,331,368
Prepaid income tax (Note 27)		**509,693**		492,295
Prepaid insurance		**142,550**		127,924
Prepaid taxes and licenses		**100,865**		67,365
Deposits		**156,805**		156,805
	₱	**2,337,556**	₱	2,175,757

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

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

Prepaid insurance represents the unamortized insurance premium which is applicable in the succeeding period.

Prepaid taxes and licenses pertain to advance payment of permits and licenses for the next reporting period.

Deposits pertain to the advanced payment for the 5,000 CPG Shares.

NOTE 12 - INVESTMENT PROPERTY

The Company's investment property pertains to a fully depreciated parking space located at the Tytana Plaza in Binondo.

		2023		2022
Cost				
Beginning of the year	₱	**280,000**	₱	280,000
Additions		**-**		-
Ending of the year		**280,000**		280,000
Accumulated Depreciation				
Beginning of the year		**280,000**		280,000
Amortization		**-**		-
Ending of the year		**280,000**		280,000
Carrying amount				
As of December 31	₱	**-**	₱	-

No income was earned on this investment property in 2023 and 2022.

NOTE 13 - PROPERTY AND EQUIPMENT, net

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

2023

	Condominium (At Cost)	Furniture, Fixtures & Office Equipment	Leasehold Improvements	Total
Cost				
January 1	₱ 17,797,361	₱ 1,490,588	₱ 1,229,043	₱ 20,516,992
Additions				
Disposals				
December 31	17,797,361	1,490,588	1,229,043	20,516,992
Accumulated Depreciation				
January 1	-	1,490,588	327,745	1,818,333
Depreciation	-	-	81,936	81,936
Disposals	-	-	-	-
December 31	-	1,490,588	409,681	1,900,269
Carrying Amount – December 31, 2022	₱ 17,797,361	₱ -	₱ 901,298	₱ 18,698,659
Carrying Amount – December 31, 2023	**₱ 17,797,361**	**₱ -**	**₱ 819,362**	**₱ 18,616,723**

2022

	Condominium (At Cost)	Furniture, Fixtures & Office Equipment	Leasehold Improvements	Total
Cost				
January 1	₱ 17,797,361	₱ 1,490,588	₱ 1,229,043	₱ 20,516,992
Additions	-	-	-	-
Disposals	-	-	-	-
December 31	17,797,361	1,490,588	1,229,043	20,516,992
Accumulated Depreciation				
January 1	-	1,490,588	245,809	1,736,397
Depreciation	-	-	81,936	81,936
Disposals	-	-	-	-
December 31	-	1,490,588	327,745	1,818,333
Carrying Amount – December 31, 2021	₱ 17,797,361	₱ -	₱ 983,234	₱ 18,780,595
Carrying Amount – December 31, 2022	**₱ 17,797,361**	**₱ -**	**₱ 901,298**	**₱ 18,698,659**

On March 2, 2018, the Company signed a deed of absolute sale for the acquisition of condominium unit. As of reporting date the title of this condominium unit has not been transferred to the Company.

The condominium unit purchased at PSE One Bonifacio High Street was used as collateral to the mortgage loan. (Note 20)

As at December 31, 2023 and 2022, the 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).

NOTE 14 - INTANGIBLE ASSETS, net

This account consists of trading right and computer software.

Trading Right

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 payments of all debts due to the Exchange and to other trading participants of the Exchange arising 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 the other trading participants of the Exchange and to the Securities Clearing Corporation of the Philippines.

In 2001, the demutualization or conversion of PSE into a stock corporation was approved by the Securities and Exchange Commission (SEC) effective August 8, 2001. Each membership seat will be exchanged for shares of stock of PSE. In accordance with the conversion, PSE will issue 9.2million shares with a par value of P1 per share out of the members' contribution of ₱286.6million. Thus, each of the 184 members/brokers will subscribe to a total of 50,000 shares of stocks with a par value of ₱1 per share. The balance of members' contribution of ₱277.4million will be treated as additional paid-in surplus in the financial statements of PSE.

In addition to the shares, each member will receive a Certificate of Trading Right to maintain their continued access to the trading floor of PSE. The Right can be assigned and transferred by the members.

PSE, however, will not issue shares of stocks for the value of its donated assets. The donated assets consisting of two (2) pieces of real property located in Makati and Pasig City, where its trading floors are located, are subject to restrictions on their transferability.

The effects of the conversion plan specifically on the separate valuation of the ownership of the exchange seat and the trading rights have been recognized in the Company's financial statements. The last transacted price for the sale of trading right in the PSE was Eight Million Pesos (₱8,000,000) as approved by the PSE Board of Directors on November 16, 2022. Hence, no impairment loss is recognized in 2023 and 2022. Trading right balance as of December 31, 2023 and 2022 amounts to ₱352,000.

Computer Software

Computer software pertains to the Company's accounting system software.

The gross carrying amounts net of accumulated amortization are presented as part of intangible assets in the Statements of Financial Position. Yearly amortization is presented under Operating Expenses of the Statements of Comprehensive Income.

A reconciliation of the carrying amounts at the beginning and end of 2023 and 2022, of computer software is shown below:

		2023		2022
Cost				
Beginning of the year	₱	849,406	₱	776,697
Additions		75,114		72,709
Ending of the year		924,520		849,406
Accumulated Depreciation				
Beginning of the year		799,183		736,518
Amortization		75,114		62,665
Ending of the year		874,297		799,183
Carrying amount				
As of December 31	₱	50,223	₱	50,223

NOTE 15 - REFUNDABLE DEPOSITS

This account consists of:

		2023		2022
Clearing and trade guaranty fund	₱	159,655	₱	158,310
Rental deposit (Note 28)		26,240		26,240
	₱	185,895	₱	184,550

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.

Rental deposit pertains to the security deposit paid to Makati Cornerstone Leasing Corp. (lessor) for the lease of its office space. This is refundable upon termination or end of the lease agreement.

NOTE 16 - PAYABLES TO CUSTOMERS

This account consists of:

		2023		2022
Payables to customers	₱	14,284,842	₱	10,602,084
Payable to customers – tender offer		23,985		-
Dividends payable-customers		-		12,449
	₱	14,308,827	₱	10,614,533

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	₱	14,284,842	₱	563,913,438	₱	10,602,084	₱	622,280,452
Without money balance		-		5,445,834,700		-		5,541,081,951
	₱	14,284,842	₱	6,009,748,139	₱	10,602,084	₱	6,163,362,403

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

Payable to customers - tender offer pertains to the seventy-five percent (75%) of the tender offer price received for Holcim shares. The amount was not yet released to the security holders who participated in the tender offer awaiting receipt of the balance, twenty-five percent (25%) held in escrow by the Paying Agent. The Paying Agent shall release the balances within five (5) days from delivery to the Bidder of the original and valid CAR from the relevant Revenue District Office of the Bureau of Internal Revenue authorizing the transfer of the Tendered Shares from the Tendering Shareholder to the Bidder.

NOTE 17 - PAYABLES TO CLEARING HOUSE

The net balance of this account as at December 31, 2023 and 2022 relates to the trading transactions for the last two trading days in 2023 and last three trading days in 2022, which have not yet been cleared. The outstanding balances were net payable to clearing house amounting to ₱129,900 in 2023 and ₱244,000 in 2022.

NOTE 18 - OTHER PAYABLES

This account consists of:

		2023		2022
Accrued expenses	₱	405,604	₱	506,111
Central depositary fees payable		19,815		43,009
Others		47,158		22,265
	₱	472,577	₱	571,385

Accrued expenses are Company's incurred expenses but not paid as of reporting period.

NOTE 19 - OTHER CURRENT LIABILITIES

This account consists of:

		2023		2022
Due to BIR	₱	67,013	₱	67,141
Statutory payable		8,597		608
	₱	75,610	₱	67,749

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.

NOTE 20 - MORTGAGE PAYABLE

On March 17, 2017, the Company secured a loan from a local commercial bank amounting to ₱16,000,000 using its office at PSE Bonifacio High Street, Fort Bonifacio Global City as collateral (Note 13).

Repayment terms provide a loan term of 10 years, interest servicing for the first 19 quarters, thereafter payment in 21 equal installments of principal and interest and remaining balance until expiry of the loan. The bank granted the Company 5 years grace period before initial payment of monthly amortization. Initial payment commenced on March 31, 2022. Interest on the loan is fixed at 5.9531% for the first 5 years. Thereafter, effective interest rate will be based either on T-bill reference policy 4% or 1 year post R-plus 3% or prevailing market rate at the 638 time of the expiry whichever is higher. Additional terms provide for a mortgage on the above- mentioned property including any and all improvements including fruits and rents in favor of the Lender.

The amount of interest expense paid amounts to ₱1,064,251 and ₱972,645 for the year 2023 and 2022, respectively.

Details of the outstanding balance of the company's mortgage follows:

		2023		2022
Current	₱	**2,770,060**	₱	2,680,849
Non-current		**7,779,031**		10,638,302
	₱	**10,549,091**	₱	13,319,151

Reconciliation of the beginning and ending balances follows:

		2023		2022
Beginning balance	₱	**13,319,151**	₱	16,000,000
Proceeds		**-**		-
Payments		**(2,770,060)**		(2,680,849)
Ending balance	₱	**10,549,091**	₱	13,319,151

NOTE 21 - EQUITY

Share Capital

The Company is authorized to issue One Million (1,000,000) ordinary shares with par value of one hundred peso (₱100) per share.

As at December 31, 2023 and 2022, the Company's total subscribed and issued and outstanding capital stock is owned by twelve (12) shareholders. Seven (7) shareholders owned more than 100 shares.

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

2023

	Shares		**Amount**
Outstanding 12/31/2022	**552,500**	**₱**	**55,250,000**
Issuance	**-**		**-**
Reacquisition	**-**		**-**
Outstanding 12/31/2023	**552,500**	**₱**	**55,250,000**

2022

	Shares		Amount
Outstanding 12/31/2021	552,500	₱	55,250,000
Issuance	-		-
Reacquisition	-		-
Outstanding 12/31/2022	552,500	₱	55,250,000

Minimum Capital Requirement

In a meeting held on October 21, 2010, the SEC issued Resolution No. 489 and 492 granting the deferment of the ₱30,000,000 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 ₱30,000,000 shall post a surety bond amounting to ₱30,000,000 on top of the surety bond of ₱12,000,000 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 (₱10,000,000) for Brokers and Two Million Pesos (₱2,000,000) for Dealers.

On November 24, 2022, the Company renewed its surety bond coverage for the period January 1, 2023 to December 31, 2023 and on November 16, 2023, the Company renewed its surety bond coverage for the period January 1, 2024 to December 31, 2024 in the amount of Twelve Million Pesos (₱12,000,000) in compliance with SRC Rule 28.1.

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 firma 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 .21 and 2.00, respectively, is in compliance with the minimum capital requirement set out by the RBCA framework in 2022, however in 2023, the Company falls below the ratio requirement. This is due to the new computation implemented last August 2023 wherein the FVOCI was deducted at market price as ineligible asset and the cumulative gain of the same FVOCI was also deducted from the equity in the computation of Net Liquid Capital.

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 ₱3,751,868 and ₱40,911,977 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 Regulations 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

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 ₱nil in 2023 and 2022, respectively. Total appropriated retained earnings as of December 31, 2023 and 2022, in compliance with the above circular amounted to ₱4,012,275. The company is in compliance with the SRC Rule 49.1(B).

Revaluation increment

Reconciliation of the revaluation increment account is as follows:

	2023	2022
Balance at the beginning of year	₱ 28,464,400	₱ 37,185,400
Fair value gain (loss) on PSE share	2,448,000	(11,628,000)
Tax effect	(612,000)	2,907,000
Other comprehensive income after tax	1,836,000	8,721,000
Balance at the end of year	₱ 30,300,400	₱ 28,464,400

NOTE 22 - COMMISSION INCOME

The Company earns commission income from stocks transactions, tender offer and initial public offering, these amounts to ₱345,208 in 2023 and ₱1,594,659 in 2022.

Breakdown of commission revenue recognized at point in time follows:

	2023	2022
Commission on stocks transaction	₱ 222,265	₱ 1,214,512
Commission on IPO	122,943	380,147
	₱ 345,208	₱ 1,594,659

NOTE 23 - DIRECT COSTS

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

	2023	2022
Stock exchange dues and fees	₱ 873,456	₱ 736,186
Salaries and employee benefits	390,828	390,827
13th month and bonuses	31,957	36,000
Employee welfare	20,541	-
SSS, PHIC, HDMF contribution	1,200	29,721
	₱ 1,317,982	₱ 1,192,734

NOTE 24 - OPERATING EXPENSES

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

	2023	2022
Salaries and employee benefits	₱ 1,401,937	₱ 1,321,273
Depreciation and amortization (Note 13,14)	397,062	384,613
Condominium dues	284,882	379,844
Utilities expense	240,078	221,152
Professional fee	197,000	257,000
Transportation and travel	158,487	159,079
Postage, telephone and communication	99,235	112,391
Taxes and licenses	76,086	87,192

Office supplies		59,005		91,230
Insurance		53,380		68,006
Repairs and maintenance		18,705		8,571
Fines and penalties		14,006		11,219
Meetings and conferences		8,000		16,000
Subscription and periodicals		3,225		3,450
Bank charges		1,583		7,400
Training and seminars		804		-
Management Bonus		-		443,402
Miscellaneous		171,594		188,229
	₱	3,185,069	₱	3,760,051

NOTE 25 - OTHER INCOME

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

		2023		2022
Unrealized foreign exchange gain	₱	106,022	₱	73,487
Interest income (Note 6)		20,563		18,569
Others		1,727		1,754
Recovery of credit loss (Note 8)		-		24,244
	₱	128,312	₱	118,054

NOTE 26 - DEPRECIATION, AMORTIZATION, AND EMPLOYEE BENEFITS

Depreciation and employee benefits were presented as follows:

2023

		Direct Costs		Operating Expenses		Total
Employee benefits*	₱	444,526	₱	1,401,937	₱	1,846,463
Depreciation and amortization		-		397,062		397,062

**Employee benefits includes salaries and employee benefits, 13^{th} month pay and bonuses and SSS, PHIC, HDMF contribution, employee welfare*

2022

		Direct Costs		Operating Expenses		Total
Employee benefits*	₱	456,548	₱	1,321,273	₱	1,777,821
Depreciation and amortization		-		384,613		384,613

**Employee benefits includes salaries and employee benefits, 13^{th} month pay and bonuses and SSS, PHIC, HDMF contribution, employee welfare*

NOTE 27 - INCOME TAXES

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

		2023		2022
Current	₱	-)	₱	4,901)
Deferred		(2,344,352)		(750,957)
	₱	(2,344,352)	₱	(746,056)

Reconciliation between statutory tax and effective tax follows:

	2023	2022
Income tax at statutory rate	₱ (1,600,181)	₱ (939,748)
Tax effect of income subject to final tax	(5,141)	(4,642)
Tax effect of dividend income exempt	(806,140)	(824,645)
Tax effect of non-deductible interest expense	1,285)	1,161)
Tax effect of non-deductible fines and penalties	3,502)	2,805)
Tax effect of expired MCIT	61,991)	13,070)
Adjustment of taxes of prior period	332)	-)
Tax effect of expired NOLCO	-)	1,005,944)
Income tax at effective rate	₱ (2,344,352)	₱ (746,055)

Analysis of income tax payable (prepaid income tax) follows:

	2023	2022
Regular Corporate Income Tax:		
Income (loss) before tax	₱ (6,400,727)	₱ (3,758,991)
Permanent differences:		
Interest income subjected to final tax	(20,563)	(18,569)
Non-taxable dividend income	(3,224,558)	(3,298,581)
Non-deductible interest expense	5,141)	4,642)
Non-deductible fines and penalties	14,006)	11,219)
Temporary differences:		
Depreciation of right-of-use asset	240,012)	240,012)
Finance cost related to lease liability	12,133)	26,713)
Actual rent expense for the year	(270,308)	(265,008)
Loss on lease concession	5,300)	1,325)
Unrealized foreign exchange (gain) loss	(106,022)	(73,487)
Unrealized market loss	4,524,230)	2,904,536)
Credit losses	17,935)	-)
Recovery from credit losses	-)	(24,244)
Taxable income	(5,203,421)	(4,250,433)
Tax rate	25%)	25%)
	₱ (1,300,855)	₱ (1,062,608)
Minimum Corporate Income Tax:		
Taxable gross income	₱ (966,187)	₱ 490,074)
Tax rate	1.5%)	1%)
	(14,493)	4,901)
Tax due (Higher of RCIT or MCIT)	₱ -)	₱ 4,901)
Prior year's excess credit	(492,295)	(444,726)
Creditable withholding tax	(17,398)	(52,470)
Prepaid income tax	₱ (509,693)	₱ (492,295)

Details of DTA and DTL follows:

	2023	2022
DTA:		
DTA arising from MCIT	₱ 4,901)	₱ 66,892)
DTA arising from NOLCO	4,071,507)	2,770,652)
DTA arising from allowance for credit losses	730,048)	725,564)
DTA arising from unrealized loss on FVOCI	6,487,200)	7,099,200)
DTA arising from lease liability	1,399)	4,947)

DTL:		
DTL arising from fair value changes on FVPL	**(6,468,145)**	(7,599,202)
DTL arising from unrealized gain on FVOCI	**(14,616)**	(14,616)
DTL arising from unrealized forex	**(44,994)**	(18,488)
	₱ 4,767,301)	₱ 3,034,949)

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

	Statements of Financial Position		Statements of Comprehensive Income: Profit or Loss		Other Comprehensive Income	
	2023	2022	**2023**	2022	**2023**	2022
Deferred tax - MCIT	₱ **4,901**	₱ 66,892	₱ (61,991)	₱ (8,169)	₱ -	₱ -
Deferred tax - NOLCO	**4,071,507**	2,770,652	1,300,855	56,664	-	-
Allowance for credit losses-Customer	**701,548**	697,064	4,484	(6,061)	-	-
Allowance for credit losses-Other receivables	**28,500**	28,500	-	-	-	-
Lease liability	**1,399**	4,947	(3,548)	761	-	-
Unrealized (gain) loss on FVPL	**(6,468,144)**	(7,599,202)	1,131,058	726,134	-	-
Unrealized gain (loss) on FVOCI	**6,472,584**	7,084,584		-	(612,000)	2,907,000
Unrealized (gain) loss on Forex	**(44,994)**	(18,488)	(26,506)	(18,372)	-	-
Net deferred tax assets	₱ 4,767,301	₱ 3,034,949				
Deferred tax income (expense)			₱ 2,344,352	₱ 750,957	₱ (612,000)	₱ 2,907,000

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 that can be carried over as deduction from gross income for the next five (5) consecutive taxable years in reference to RR 25-2020 follows:

Year Incurred	Amount	Applied	Expired	Balance	Date of Expiration
2020	₱ 4,242,766	₱ -	₱ -	₱ 4,242,766	December 31, 2025
2021	2,589,409	-	-	2,589,409	December 31, 2026
	₱ 6,832,175	₱ -	₱ -	₱ 6,832,175	

Details of NOLCO that can be carried over as deduction from gross income for the next three (3) consecutive taxable years follows:

Year Incurred	Amount	Applied	Expired	Balance	Date of Expiration
2023	₱ 5,203,421	₱ -	₱ -	₱ 5,203,421	December 31, 2026
2022	4,250,433			4,250,433	December 31, 2025
2019	4,023,775		(4,023,775)	-	December 31, 2022
	₱13,477,629	₱ -	₱ -	₱ 9,453,854	

Deferred tax asset from MCIT, is the carry forward benefit of the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT). Excess MCIT can be used within three taxable years from the date of payment. The Minimum Corporate Income Tax (MCIT) was reduced to one percent (1%) effective July 1, 2020 until June 30, 2023 pursuant to Revenue Regulation 5-2021.On July 1, 2023, Minimum Corporate Income Tax (MCIT) was reverted back to two percent (2%).

Details of DTA relating MCIT follows:

2023

Year Incurred	Amount	Applied	Expired	Balance	Date of Expiration
2021	₱ 61,991	₱ -	₱ 61,991	₱ -	December 31, 2023
2022	4,901	-	-	4,901	December 31, 2024
	₱ 66,892	₱ -	₱ 61,991	₱ 4,901	

2022

Year Incurred	Amount	Applied	Expired	Balance	Date of Expiration
2019	₱ 13,070	₱ -	₱ 13,070	₱ -	December 31, 2022
2021	61,991	-	-	61,991	December 31, 2023
2022	4,901	-	-	4,901	December 31, 2024
	₱ 79,962	₱ -	₱ 13,070	₱ 66,892	

NOTE 28 - LEASES

Company as a lessee

The Company entered into lease agreement with Makati Cornerstone Leasing Corp. for the lease of its office in Makati City. Lease payments are made every 1st of the month. The agreement also provides rental deposit amounting to ₱185,796 and ₱184,550 as of December 31, 2023 and 2022, respectively.

The Company's incremental borrowing rate used in the computation of lease liability is 5.95%.

Right of use asset

An analysis of the movement in this account follows:

	2023	2022
Beginning balance	₱ 300,016	₱ 540,028
Addition		
Depreciation expense	240,012	240,012
Ending balance	₱ 60,004	₱ 300,016

Lease liability

An analysis of the movement in this account follows:

	2023	2022
Beginning balance	₱ 318,475	₱ 556,770
Addition	-	-
Payment	252,875	238,295
Ending balance	₱ 65,600	₱ 318,475

A maturity analysis of lease liability at December 31, 2023 and 2022 follows:

2023

	Within 1 year	1 to 2 Years	2 to 3 Years	Total
Lease payments	₱ 66,252)	₱ -	₱ -	₱ 66,252)
Interest expenses	(652)			(652)
Net present values	₱ 65,600)	₱ -	₱ -	₱ 65,600)

2022

	Within 1 year	1 to 2 Years	2 to 3 Years	Total
Lease payments	₱ 265,008)	₱ 66,252	₱ -	₱ 331,260
Interest expenses	(12,133)	(652)		(12,785)
Net present values	₱ 252,875)	₱ 65,600	₱ -	₱ 318,475

Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect to this lease amounts to ₱265,008 and ₱265,008 in 2023 and 2022, respectively. Interest expense in relation to lease liabilities amounted to ₱12,133 in 2023 and ₱26,713 in 2022 and are presented as part of Finance Costs in the statement of comprehensive income.

NOTE 29 - RELATED PARTY TRANSACTIONS

The Company, in the normal course of business, has transactions with related parties. Presented below are the specific relationship, amount of transaction, account balances, terms and conditions and the nature of the consideration to be provided in settlement.

2023

Nature of Relationship	Nature of Transaction	Amount (current transaction)	Outstanding balance	Terms	Conditions
Shareholders and related interest	Buying Selling	₱ 7,890,909 11,935,138	₱ 364,626 2,086,567	(2)	(4)

(1) Non-interest bearing, payable in cash, no schedule repayments terms
(2) Non-interest bearing, payable in cash, payable in two (2) days after transaction date (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 related interest	Buying Selling	₱ 13,382,925 38,116,323	₱ 5,633,998 1,756,963	(2)	(4)

(1) Non-interest bearing, payable in cash, no schedule repayments terms
(2) Non-interest bearing, payable in cash, payable in three (3) days after transaction date (T+3)
(3) Unsecured
(4) Secured by equity securities

Buying and Selling Transaction

In the ordinary course of business, the Company acts as broker to certain directors and officers. Under the Company's policy, these transactions are made substantially on the same terms as with other businesses of comparable risks. In 2023 and 2022, the Company's outstanding receivable and outstanding payable is presented as part of Receivables from customers (Payable to customers), respectively, in the statements of financial position.

Key Management Compensation

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

		2023		2022
Short-term employee benefits	₱	**444,526**	₱	456,548
Post-employment benefits		**-**		-
	₱	**444,526**	₱	456,548

NOTE 30 - 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

All transactions of the Company are denominated in Philippine peso, its functional currency. The Company's exposure relates primarily to its dollar denominated bank deposit amounting to ₱731,861 and ₱738,872 as at December 31, 2023 and 2022, respectively. The Company's exposure of foreign currency risk is not significant.

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 and FVOCI). 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.

	2023		2022	
Observed Volatility Rates	**+14.00%**	**-14.00%**	+21.00%	-21.00%
Profit before tax	**₱ 632,712**	**₱ (632,712)**	₱ 591,810	₱ (591,810)
Equity	**731,574**	**(731,574)**	2,275,267	(2,275,267)

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.

C. Interest Rate Risk

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually made at fixed rates. At December 31, 2023 and 2022, the Company is exposed to changes in market interest rates through its cash and bank borrowings, which are subject to variable interest rates (Notes 6 and 20). All other financial assets and liabilities have fixed rates.

The table below illustrates the sensitivity of the Company's profit before tax and equity to a reasonably possible change in interest rates of +/- 1.00% for Philippine peso in 2023 and 2022, respectively. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at the end of each reporting period that are sensitive to changes in interest rates. All other variables are held constant.

	2023		2022	
	+1.00%	**-1.00%**	+1.00%	-1.00%
Profit before tax	**₱ (146,269)**	**146,269**	₱ (9,808)	9,808
Equity	**(109,702)**	**109,702**	(7,356)	7,356

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	₱ 127,722	₱ 3,435,855	₱ (3,308,133)	₱ -	₱ -
T+2 to T+12 of counterparty	-	-	-	-	-
T+13 to T+30 of counterparty	-	-	-	-	
Beyond T+30 of counterparty	3,673,659	6,357,270	(2,683,610)	2,825,199	-
	₱ 3,801,381	₱ 9,793,125	₱ (5,991,743)	₱ 2,825,199	₱ -

2022

	Balance	Collateral (net of haircut)	Counterparty exposure (after collateral)	Allowance for credit losses	Net exposure
T to T+2 of counterparty	₱ 471,845	₱ 5,565,615	₱ (5,093,770)	₱ -	₱ -
T+3 to T+13 of counterparty	790,287	5,684,518	(4,894,231)	15,806	-
Beyond T+13 of counterparty	3,885,086	11,388,989	(7,503,903)	2,791,458	-
	₱ 5,147,218	₱ 22,639,122	₱ (17,491,904)	₱ 2,807,264	₱ -

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 table below shows the maximum exposure to credit risk for the components of the statements of financial position. The maximum exposure is shown at gross amount, without taking into account collateral and other credit enhancement.

		31-Dec-23		31-Dec-22
Cash and cash equivalents	₱	13,839,562	₱	12,721,465
Receivable from customers		3,801,582		5,147,218
Other receivables		120,591		126,496
Refundable deposits		185,895		184,550
	₱	17,947,630	₱	18,179,729

Cash excludes petty cash fund and cash on hand amounting to ₱15,000 in 2023 and 2022

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

(a) Cash and Cash Equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in banks and time deposits which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of ₱500,000 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:

Classification	Provision	Base
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:

Classification	**Provision**	**Base**
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 and refundable deposits*

The credit risk for other receivables and 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 except for the ₱95,000 of which allowance for credit losses has already been set-up.

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 is normally settled within two (2) days in 2023 and within three (3) days in 2022. 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	₱ 14,308,827	₱ -	₱ -	₱ -	₱ 14,308,827
Mortgage payable	688,486	675,197	1,406,377	7,779,031	10,549,091
Lease liability	65,600	-	-	-	65,600
Other payables	472,577	-	-	-	472,577
	₱ 15,535,490	₱ 675,197	₱ 1,406,377	₱ 7,779,031	₱ 25,396,095

	December 31, 2022				
	Within 3 months	3 months to 6 months	6 months to 1 year	3 to 5 years	Total
Payable to customers	₱ 10,614,533	₱ -	₱ -	₱ -	₱ 10,614,533
Mortgage payable	659,110	1,333,253	1,347,596	9,979,192	13,319,151
Lease liability	66,252	66,252	132,504	66,252	331,260
Other payables	571,385	-	-	-	571,385
	₱ 11,911,280	₱ 1,399,505	₱ 1,480,100	₱ 10,045,444	₱ 24,836,329

NOTE 31 - 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.

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

The Company's RBCA ratio as at years ended December 31, 2023 and 2022 are 21% and 200%, 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	₱	49,601,928	₱	81,735,887
Ineligible assets		45,850,060		40,823,910
Total		3,751,868		40,911,977
Risk capital requirements				
Operational risk requirement	₱	840,446	₱	806,950
Position risk requirement		13,515,103		15,205,451
Counterparty risk		-		6,036
Large exposure risk		3,250,984		4,466,550
Total	₱	17,606,533	₱	20,484,988
Risk based capital adequacy ratio		21%		200%

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	₱	3,751,868	₱	40,911,977
Less: Required net liquid capital, higher of:				
5% aggregate indebtedness		758,811		591,902
Minimum amount		5,000,000		5,000,000
Required net liquid capital		5,000,000		5,000,000
Net risk-based capital excess	₱	(1,248,132)	₱	35,911,977
Ratio of aggregate indebtedness to net liquid capital		401%		29%

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	₱	1,594,659	₱	1,904,464	₱	1,002,889	₱	1,500,671
Interest income		18,569		25,908		37,131		27,203
Net Recovery from market decline of Marketable Securities Owned		-		-		-		-
Dividend income		3,298,581		2,649,273		755,821		2,234,558
Gain on Sale of Marketable Securities		86,394		1,118,623		-		401,672
Gain on Sale of other Assets		-				-		-
Other income/revenue		75,242		38,144		998		38,128
Total Revenue/Income		5,073,445		5,736,412		1,796,839		
Average of the last three year gross income								4,202,232
Operational risk factor								20%
Total operational risk requirement							₱	**840,446**

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).

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

B. Position 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	**₱ 8,201,446**	**25%**	**₱ 2,050,362**
Other equities outside the PHISIX	**32,584,688**	**35%**	**11,403,591**
FX Position	**764,381**	**8%**	**61,150**
	₱ 41,550,515		**₱ 13,515,103**

2022

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	₱ 7,138,631	25%	₱ 1,784,658
Other equities outside the PHISIX	38,168,733	35%	13,359,057
FX Position	771,712	8%	61,737
	₱ 46,079,076		₱ 15,205,452

A. 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 has a Large Exposure to single equity relative to a particular issuer company and its group of companies amounting to ₱3,250,984 and ₱4,466,550 as of December 31, 2023 and 2022, respectively, which is not beyond the maximum permissible large exposure.

B. 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.

The Company has counter party exposure amounting to ₱nil and ₱6,036 in 2023 and 2022, respectively.

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

As at December 31, 2023, the Company was not able to meet the required Risk Based Capital Adequacy Ratio. This is due to the new computation implemented last August 2023 wherein the FVOCI was deducted at market price as ineligible asset and the cumulative gain of the same FVOCI was also deducted from the equity in the computation of Net Liquid Capital.

NOTE 32 - 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	₱ 40,783,134	₱ 40,783,134	₱ -	₱ -
Financial asset at FVOCI	10	34,680,000	34,680,000	-	-
Assets for which fair values are disclosed:					-
Cash and cash equivalents	6	13,854,562	-	13,854,562	-
Receivables from customers	8	976,383	-	976,383	-
Other receivables	9	221,098	-	221,098	-
Refundable deposits	16	185,895	-	185,895	-
		₱ 92,926,831	₱ 75,463,134	₱ 15,237,938	₱ -
Liabilities for which fair values are disclosed:					
Payable to customers	16	₱ 14,308,827	₱ -	₱ 14,308,827	₱ -
Payable to clearing house	17	129,900	-	129,900	-
Mortgage payable	20	10,549,091	-	10,549,091	-
Other payables	18	571,385	-	573,084	-
		₱ 25,560,902	₱ -	₱ 25,560,902	₱ -

		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	₱ 45,307,364	₱ 45,307,364	₱ -	₱ -
Financial asset at FVOCI	10	32,232,000	32,232,000	-	-
Assets for which fair values are disclosed:					
Cash and cash equivalents	6	12,736,465	-	12,736,465	-
Receivables from customers	8	2,339,956	-	2,339,956	-
Other receivables	9	126,496	-	126,496	-
Refundable deposit	15	184,550	-	184,550	-
		₱ 92,603,831	₱ 77,539,364	₱ 15,387,467	₱ -
Liabilities for which fair values are disclosed:					
Payable to customers	16	₱ 10,614,533	₱ -	₱ 10,614,533	₱ -
Payable to clearing house	17	244,000	-	244,000	-
Mortgage payable	20	13,319,151	-	13,319,151	-
Other payables	18	511,385	-	571,385	-
		₱ 24,749,069	₱ -	₱ 24,749,069	₱ -

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	**₱**	**-**	**₱**	**129,900**	**₱**	**129,900**
December 31, 2022						
Payable to clearing house	₱	302,500	₱	546,500	₱	244,000

NOTE 33 - 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

	Mortgage Payable		Lease Liabilities		Share Capital		Total
Balance as of January 1, 2023	**₱**	**13,319,151**	**₱**	**318,475**	**₱ 55,250,000**	**₱**	**68,887,626**
Cash flow from Financing Activities:							
Issuance of shares		-		-	1,000,000		1,000,000
Additional Borrowing		-		-	-		-
Repayment of Borrowing	(	2,770,060)	(	265,008)	-	(	3,035,068)
Non-cash financing activities							
Amortization of interest on lease liabilities		-		12,133	-		12,133
Balance, December 31, 2023	**₱**	**10,549,091**	**₱**	**65,600**	**₱ 56,250,000**	**₱**	**66,864,691**

2022

	Mortgage Payable		Lease Liabilities		Share Capital		Total
Balance as of January 1, 2022	**₱**	**16,000,000**	**₱**	**556,770**	**₱ 55,250,000**	**₱**	**71,806,770**
Cash flow from Financing Activities:							
Additional Borrowing		-		-	-		-
Repayment of Borrowing	(	2,680,849)	(	265,008)	-	(	2,945,857)
Non-cash financing activities				-			
Amortization of interest on lease liabilities		-		26,713	-		26,713
Balance, December 31, 2022	**₱**	**13,319,151**	**₱**	**318,475**	**₱ 55,250,000**	**₱**	**68,857,626**

NOTE 34 - SUPPLEMENTARY INFORMATION REQUIED 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)	₱	352,396	₱	42,288

The tax bases are included as part of Income in the 2023 statement 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	₱		₱	1,331,368)
Domestic purchase of goods and services		1,150,347		138,042)
Total available Input VAT				1,469,410)
Add: Payments during the year				-)
Application against VAT payable				(42,288)
Balance, end of the year			₱	1,427,122)

c) Taxes and Licenses

The details of Taxes and Licenses account (Note 24) are broken down as follows:

		Amount
Business permit and licenses	₱	75,586
Registration fee		500
	₱	76,086

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.

		Amount
Withholding tax at source (expanded)	₱	29,265
Withholding tax on compensation		30,735
	₱	60,000

e) Tax Assessments and Cases

As of reporting date, the Company has no pending tax cases under preliminary investigation, litigation and/or prosecution in court or bodies within or outside BIR.

(f) Related Party Transaction

The Company is covered under Section 2 of the Revenue Regulation 34-2020 requirements and procedures for related party transaction, including filing of BIR Form 1709, Information Return on its Transactions with Related Party.

SCHEDULE I

CUALOPING SECURITIES CORPORATION
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

CUALOPING SECURITIES CORPORATION
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	**123,297,510**
Liabilities	**32,114,743**
Equity as per books	**91,182,767**
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	
Deferred Income Tax	(11,280,439)
Revaluation Reserves	(30,300,400)
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to Equity per books	**(41,580,839)**
Equity Eligible For Net Liquid Capital	**49,601,928**
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	332,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	8,117,855
d. Prepayment from client for Early Settlement of Accout	-
f. All Other Current Assets	516,969
f. Securities Not Readily Marketable	
g. Negative Exposure (SCCP)	-
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	36,883,236
Total ineligible assets	**45,850,060**
Net Liquid Capital (NLC)	**3,751,868**
Less:	
Operational Risk Requirement	840,446
Position Risk Requirement	13,515,103
Counterparty Risk	
Large Exposure Risk	
LERR to a single client	
LERR to a single debt	
LERR to a single issuer and group of companies	3,250,984
Total Risk Capital Requirement (TRCR)	**17,606,533**
Net RBCA Margin (NLC-TRCR)	(13,854,665)
Liabilities	32,114,743
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	10,549,091
Others	6,513,139
Total adjustments to AI	**(17,062,230)**
Aggregate Indebtedness	**15,052,513**
5% of Aggregate Indebtedness	**752,626**
Required Net Liquid Capital (> of 5% of AI or P5M)	**5,000,000**
Net Risk-based Capital Excess / (Deficiency)	**(1,248,132)**
Ratio of AI to Net Liquid Capital	**401%**
RBCA Ratio (NLC / TRCR)	**21%**

CUALOPING SECURITIES CORPORATION
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

CUALOPING SECURITIES CORPORATION
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.	8,122,324	
2. Monies borrowed collateralized by securities carried for the account of customers.		
3. Monies payable against customers' securities loaned.		
4. Costumers' securities failed to receive.	129,900	
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 3o 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.		886,514
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.		
13. Others:		
Total	8,252,224	886,514
Net Credit (Debit)	7,365,710	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	7,733,996	

SCHEDULE V

CUALOPING SECURITIES CORPORATION
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

CUALOPING SECURITIES CORPORATION
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.

Cualoping Securities Corporation
Member: Philippine Stock Exchange, Inc.

OATH

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

I, Janet Presquito, Associated Person of CUALOPING SECURITIES CORPORATION 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.

JANET PRESQUITO
Associated Person

APR 30 2024

SUBSCRIBED AND SWORN to before me, a Notary Public, this ___ day of ______, affiant exhibiting to me her DL# L02-17-005117 issued at Davao City on Nov. 23, 2021 and date expired on 12/04/2026.

Doc. No. 35
Page No. 09
Book No. 35
Series of 2024

ATTY. ROMEO M. MONFORT
Notary Public City of Makati
Until December 31, 2025
Appointment No. M-032 (2024-2025)
PTR No. 10073908 Jan. 2, 2024 Makati City
IBP No. 391330 Jan. 3, 2014 Pasig / Roll No. 27932
MCLE NO. VII-0027570 Issued April 3, 2023
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

CUALOPING SECURITIES CORPORATION
STOCK POSITION PER LOCATION REPORT
As of December 31, [illegible]

STOCK CODE	NAME OF STOCKS	CUSTOMERS ACCOUNT		DEALERS ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TREASURY	
		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
AAA	ASIA AMALGAMATED HOLDINGS CORP	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AB	ATOK BIG WEDGE CO. INC. "A"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ABA	ABACORE CAPITAL HOLDINGS, INC. "A"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ABS	ABS-CBN CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ABSP	ABS-CBN HOLDINGS CORP PHIL	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AC	AYALA CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ACEN	AC ENERGY CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ACR	ALSONS CONSOLIDATED RESOURCES INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AEV	ABOITIZ EQUITY VENTURES, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AGI	ALLIANCE GLOBAL, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
[illegible]	[illegible] MINING CO INC. "A"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ALCO	ARTHALAND CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ALCPD	ALCO PREFERRED SERIES D	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ALI	AYALA LAND INCORPORATED	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ALLDY	ALLDAY MARTS, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ALLHC	AYALALAND LOGISTICS HOLDINGS CORP	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ALTER	ALTERNERGY HOLDINGS CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ANS	A. SORIANO CORPORATION "A"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AP	ABOITIZ POWER CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
APC	APC GROUP, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
APL	APOLLO GLOBAL CAPITAL, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
APO	ANGLO PHIL. HOLDINGS CORP. "A"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
APVI	ALTUS PROPERTY VENTURES, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
APX	APEX MINING CO., INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AR	ABRA MINING & INDL CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ARA	ARANETA PROPERTIES, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AREIT	AREIT INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ASLAG	RASLAG CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AT	ATLAS CONS. MINING & DEV'T. "A"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ATI	ASIAN TERMINAL, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ATN	ATN HOLDINGS, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
ATNB	ATN HOLDINGS, INC. "B"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AUB	ASIA UNITED BANK CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
AXLM	AXELUM RESOURCES CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BAY	BAY	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BC	BENGUET CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BCB	BENGUET CORPORATION "B"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BDO	BANCO DE ORO UNIV. BANK	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
[illegible]	BENGUET EXPLORATION, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BEL	BELLE CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BELW	BELLE CORPORATION WARRANT	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
[illegible]	BH HOLDINGS, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BHI	BOULEVARD HOLDINGS, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BKR	BRIGHT KINDLE RES. & INVS. INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
[illegible]	[illegible] COMMUNITY BANK [illegible] CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BNCOM	BANK OF COMMERCE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BPI	BANK OF THE PHIL. ISLANDS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BRN	A. BROWN COMPANY	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
BSC	BASIC ENERGY CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
C	CHELSEA LOGISTICS HOLDINGS CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CEB	CEBU AIR, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CEBCP	CEBU AIR, INC. PREFERRED	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CEU	CENTRO ESCOLAR UNIVERSITY	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CHI	CEBU HOLDINGS INCORPORATED	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CHIB	CHINA BANKING CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CHP	CEMEX HOLDINGS PHILIPPINES, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CLI	CEBU LANDMASTERS INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CM	CARMEN MINERALS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CNPF	CENTURY PACIFIC FOOD, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CNVRG	CONVERGE INFO. AND COMMS. TECH SOLUT	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
[illegible]	CONSOLIDATED MINES	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
COAL	COAL ASIA HOLDINGS INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
COSCO	COSCO CAPITAL, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CPG	CENTURY PROPERTIES GROUP, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CREIT	CITICORE ENERGY REIT CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CTS	CTS GLOBAL EQUITY GROUP, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
CYBR	CYBER BAY CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
DD	DOUBLEDRAGON PROPERTIES CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
DDMPR	DDMP REIT, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
DDPR	DOUBLEDRAGON PROP. CORP. - PREFERRED	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
DELM	DEL MONTE PACIFIC LIMITED	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
DFNN	DFNN INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
DHI	DOMINION HOLDINGS, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
DITO	DITO CME HOLDINGS CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-

CUSTODIAN SECURITIES CORPORATION
STOCK POSITION PER LOCATION REPORT
As of December 29, 2023

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
DIZ	DIZON COPPER-SILVER MINES, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
DMC	DMC HOLDINGS INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
DMW	D.M. WENCESLAO & ASSOCIATES, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
DNL	D&L INDUSTRIES, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
DWC	DISCOVERY WORLD CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
ECVC	EAST COAST VULCAN CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
EEI	EEI CORPORATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
EEIPA	EEI CORP. PREFERRED SHARES SERIES A	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
EIBA	EXPORT AND INDUSTRY BANK, INC. "A"	[illegible]	-	-	-	[illegible]	-	-	-	-	-	-	-
ELI	EMPIRE EAST HOLDINGS	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
EMP	EMPERADOR, INC.	-	-	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
ENEX	ENEX ENERGY CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
EVER	EVER-GOTESCO RES. & HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
EW	EAST WEST BANKING CORP.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
FA	FIL-AM RES.	-	-	-	-	[illegible]	-	-	-	-	-	-	-
FAF	FIRST ABACUS FINANCIAL HLDGS. INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FB	SAN MIGUEL FOOD AND BEVERAGE, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FCG	FIGARO COFFEE GROUP INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FDC	FILINVEST DEVELOPMENT CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FFI	FILIPINO FUND, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FILRT	FILINVEST REIT, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
FJP	F & J PRINCE HOLDINGS CORP. "A"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
FJPB	F & J PRINCE HOLDINGS CORP. "B"	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FLI	FILINVEST LAND INCORPORATED	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FNI	GLOBAL FERRONICKEL HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FPH	FIRST PHIL. HOLDINGS CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FPI	FORUM PACIFIC, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
FRUIT	FRUITAS HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
GEO	GEOGRACE RES. PHIL., INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
GERI	GLOBAL-ESTATE RESORTS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
GLO	GLOBE TELECOM, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
GMA7	GMA NETWORK, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
GMAP	GMA HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
GO	GOTESCO LAND, INC. "A"	[illegible]	-	[illegible]	-	[illegible]	-	-	-	-	-	-	-
GOB	GOTESCO LAND, INC. "B"	[illegible]	-	[illegible]	-	[illegible]	-	-	-	-	-	-	-
GREEN	GREENERGY HOLDINGS INCORPORATED	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
GTCAP	GT CAPITAL HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
GTPPB	GT CAPITAL HOLDINGS, INC. SERIES B	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
HOME	ALLHOME CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
HOUSE	8990 HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
HTI	HAUS TALK, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
I	I-REMIT, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
ICT	INT'L. CONTAINER TERMINAL SV. IN	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
IMI	INTEGRATED MICRO-ELECTRONICS, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
[illegible]	INCO MINING CORP. "B"	-	-	-	-	[illegible]	-	-	-	-	-	-	-
INFRA	PHILIPPINE INFRADEV HOLDINGS INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
ION	IONICS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
IPO	IPEOPLE, INC. "A"	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
IS	ISLAND INFORMATION & TECHNOLOGY, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
JFC	JOLLIBEE FOODS CORPORATION	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
JGS	JG SUMMIT HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
KEEPR	THE KEEPERS HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
KEP	KEPPEL PHILS. PROPERTIES, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
KPH	KEPPEL PHIL. HOLDINGS INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
KPHB	KEPPEL PHIL. HOLDINGS INC. "B"	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
LC	LEPANTO CONS. MINING CO. "A"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
LCB	LEPANTO CONS. & MINING CO. "B"	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
LOTO	PACIFIC ONLINE SYSTEMS CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
LPZ	LOPEZ HOLDINGS CORPORATION	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
LRC	LANDOIL RESOURCES CORP. "A"	[illegible]	-	[illegible]	-	[illegible]	-	-	-	-	-	-	-
LSC	LORENZO SHIPPING CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
MA	MANILA MINING "A"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
MAB	MANILA MINING "B"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
MAC	MACROASIA CORPORATION	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
MACW	MACROASIA CORPORATION WARRANTS	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
MARC	MARCVENTURES HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
MAXS	MAX'S GROUP, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
MB	MANILA BULLETIN PUB. CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
MBT	METROBANK AND TRUST COMPANY	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
MC	MARSTEEL CONS. INC. "A"	[illegible]	-	-	-	[illegible]	-	-	-	-	-	-	-
MCB	MARSTEEL CONS. INC. "B"	[illegible]	-	-	-	[illegible]	-	-	-	-	-	-	-
MEDIC	MEDILINES DISTRIBUTORS INCORPORATED	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
MEG	MEGAWORLD PROP. & HOLDINGS INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
MER	MANILA ELECTRIC COMPANY "A"	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
MFC	MANULIFE FINANCIAL CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
MG	MILLENNIUM GLOBAL HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-

CUALOPING SECURITIES CORPORATION
STOCK POSITION PER LOCATION REPORT
as of December 31, 2022

STOCK CODE	NAME OF STOCKS	CUSTOMERS ACCOUNT		DEALERS ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
MGH	METRO GLOBAL HOLDINGS CORPORATION	700.00	-	-	-	700.00	-	700.00	-	-	-	-	-
MHC	MABUHAY HOLDINGS CORP	432,100.00	46,157.00	-	-	432,100.00	46,157	-	-	-	-	-	-
MI	MI	18,075.00	-	173	-	18,075.00	-	-	-	-	-	-	-
MJC	MANILA JOCKEY CLUB	3,446,170.00	4,770,633.00	-	-	3,446,170.00	4,770,633	-	-	-	-	-	-
MJIC	MJC INVESTMENTS CORPORATION	12,100.00	12,100.00	-	-	12,100.00	12,100	-	-	-	-	-	-
MM	MERRYMART CONSUMER CORP.	8,000.00	8,240.00	-	-	8,000.00	8,240	-	-	-	-	-	-
MRC	MRC ALLIED MINING CORP	-	-	-	-	11,700.00	-	-	-	-	-	-	-
MWIDE	MEGAWIDE CONSTRUCTION CORP	-	-	-	-	253,400.00	-	-	-	-	-	-	-
MONDE	MONDE NISSIN CORPORATION	336,300.00	2,818,194.00	-	-	336,300.00	2,818,194	-	-	-	-	-	-
MRC	MRC ALLIED INDUSTRIES, INC.	13,000.00	16,000.00	-	-	13,000.00	16,000	-	-	-	-	-	-
MREIT	MREIT, INC.	827,000.00	10,172,100.00	-	-	827,000.00	10,172,100	-	-	-	-	-	-
MRSGI	METRO RETAIL STORES GROUP, INC.	600,000.00	863,600.00	-	-	600,000.00	863,600	-	-	-	-	-	-
MWC	MANILA WATER COMPANY, INC.	281,700.00	5,239,620.00	-	-	281,700.00	5,239,620	-	-	-	-	-	-
MWIDE	MEGAWIDE CONSTRUCTION CORP	17,000.00	55,332.20	-	-	17,000.00	55,332	-	-	-	-	-	-
NI	NIHAO MINERAL RESOURCES INT'L, INC	12,000.00	4,000.00	-	-	12,000.00	4,000	-	-	-	-	-	-
NIKL	NICKEL ASIA CORPORATION	208,025.00	1,143,098.82	-	-	208,025.00	1,143,099	-	-	-	-	-	-
NRCP	THE NATIONAL REINSURANCE CORP	30,000.00	10,800.00	-	-	30,000.00	10,800	-	-	-	-	-	-
NXGEN	NEXTGENESIS CORPORATION	12,750.00	-	-	-	12,750.00	-	-	-	-	-	-	-
OM	OMICO CORPORATION	199,210.00	30,342.50	-	-	199,210.00	30,342	700.00	-	-	-	-	-
OMW	OMICO CORPORATION WARRANT	133,000,000.00	10,000.00	-	-	133,000,000.00	10,000	-	-	-	-	-	-
OMW2	OMICO CORPORATION WARRANTS 2	277,290.00	2,772.90	-	-	277,290.00	2,773	-	-	-	-	-	-
OPM	ORIENTAL PET. & MINES. CORP. "A"	29,871,557.00	108,273.00	57,603	160	29,888,077.00	107,111	240,240.00	1,021	-	-	-	-
OPMB	ORIENTAL PET. & MINES. CORP "B"	15,298,688.00	108,223.83	49,757	371	11,444,481.00	108,000	-	-	-	-	-	-
ORE	ORIENTAL PENINSULA RES. GROUP, INC.	6,000.00	3,780.00	-	-	6,000.00	3,780	-	-	-	-	-	-
OV	PHILODRILL CORPORATION "A"	79,129,929.00	632,085.43	22,000	272	79,032,929.00	632,222	111,000.00	859	-	-	-	-
PA	PACIFICA INCORPORATED	200.00	814.00	-	-	200.00	545	100.00	49	-	-	-	-
PAL	PAL HOLDINGS INC.	21,400.00	108,408.00	475	2,370	21,420.00	110,660	-	-	-	-	-	-
PBB	PHILIPPINE BUSINESS BANK	43,787.00	334,946.50	58,210	400,273	133,087.00	1,010,322	-	-	-	-	-	-
PBC	PHILIPPINE BANK OF COMMUNICATION	20.00	494.20	-	-	20.00	494	-	-	-	-	-	-
PCOR	PETRON CORPORATION	93,250.00	316,476.00	-	-	93,980.00	319,150	1,245.00	4,423	-	-	-	-
PCP	PICOP RES. INC. "A"	1,037,225.00	-	-	-	1,037,225.00	-	-	-	-	-	-	-
PERC	PETROENERGY RESOURCES CORP.	15,912.00	48,884.00	-	-	15,912.00	48,844	-	-	-	-	-	-
PGOLD	PUREGOLD PRICE CLUB, INC.	-	-	4,000	157,000	4,000.00	157,000	-	-	-	-	-	-
PHA	PREMIERE HORIZON ALLIANCE CORP.	20,000.00	3,240.00	-	-	20,000.00	3,240	-	-	-	-	-	-
PHR	PHINMA CORP	52,000.00	88,040.00	-	-	52,000.00	90,640	-	-	-	-	-	-
PIZZA	SHAKEY'S PIZZA ASIA VENTURES, INC.	39,000.00	294,000.00	-	-	39,000.00	294,000	-	-	-	-	-	-
PLC	PREMIUM LEISURE CORP.	40,000.00	25,200.00	-	-	40,000.00	25,200	-	-	-	-	-	-
PLUS	DIGIPLUS INTERACTIVE CORP.	271,600.00	2,012,340.00	300	2,776	271,800.00	2,014,000	-	-	-	-	-	-
PMPC	PANASONIC MANUFACTURING PHIL. CORP.	480.00	2,318.00	-	-	480.00	2,319	-	-	-	-	-	-
PNX	PHOENIX NATURAL RESOURCES CORP	-	-	-	-	2,500,000.00	-	-	-	-	-	-	-
PNB	PHILIPPINE NATIONAL BANK	36,368.00	671,008.00	252	5,707	26,200.00	675,545	-	-	-	-	-	-
PNBW	PHIL. NATIONAL BANK WARRANT	-	-	-	-	620.00	-	-	-	-	-	-	-
PNC	PHIL. NATIONAL CONSTR. CORP	114,000.00	-	-	-	114,000.00	-	-	-	-	-	-	-
POD	PHIL. OIL DEVELOPMENT INV. INC.	-	-	-	-	59,150,000.00	-	-	-	-	-	-	-
POGO	POGO	14,200,000.00	-	-	-	14,200,000.00	-	-	-	-	-	-	-
PPI	PHIL. TOWN PROPERTIES, INC.	11,762.00	-	-	-	11,762.00	-	-	-	-	-	-	-
PRC	PHILIPPINE RACING CLUB, INC.	239,609,756.00	1,602,270,082.43	1,600,000	14,782,400	221,553,736.00	1,658,600,683	-	-	-	-	-	-
PREIT	PREMIERE ISLAND POWER REIT CORP	100,000.00	134,000.00	-	-	100,000.00	100,000	-	-	-	-	-	-
PRIM	PRIME MEDIA HOLDINGS, INC.	200.00	774.00	-	-	200.00	774	-	-	-	-	-	-
PSB	PHILIPPINE SAVINGS BANK	181.00	9,500.00	-	-	181.00	9,503	-	-	-	-	-	-
PSE	PHILIPPINE STOCK EXCHANGE	277.00	47,000.00	204,600	34,000,000	204,277.00	34,727,090	-	-	-	-	-	-
PTT	PHIL. TEL. & TEL. CO.	435,000.00	-	3,300	-	435,000.00	-	-	-	-	-	-	-
PX	PHILEX MINING CORP	910,120.00	2,992,250.56	-	-	910,947.00	2,991,229	525.00	1,696	-	-	-	-
PXP	PXP ENERGY CORPORATION	101,885.00	487,099.23	-	-	101,885.00	487,775	-	-	-	-	-	-
RCB	RIZAL COMMERCIAL BANK CORP	466,973.00	10,602,970.00	4,770	224,700	470,745.00	10,827,130	-	-	-	-	-	-
RCR	RL COMMERCIAL REIT, INC.	1,298,600.00	7,817,154.00	38,000	146,700	1,628,600.00	7,943,004	-	-	-	-	-	-
RGB	REPUBLIC GLASS HOLDINGS CORP	40,800.00	123,557.00	1,266,000	3,798,000	1,306,800.00	3,924,277	-	-	-	-	-	-
RLM	RFM CORPORATION	261,332.00	796,686.00	-	-	280,000.00	796,600	-	-	-	-	-	-
RICH	RICH	2,000,000.00	-	-	-	2,000,000.00	-	-	-	-	-	-	-
RLC	ROBINSONS LAND CORP.	1,800.00	87,470.00	1,551	29,007	5,551.00	88,470	1,000.00	23,510	-	-	-	-
RLT	PHIL. REALTY AND HOLDINGS	4,625,000.00	384,744.87	12,813	1,210	4,678,000.00	380,807	250.00	33	-	-	-	-
ROCK	ROCKWELL LAND	9,200.00	13,405.50	-	-	9,130.00	13,466	-	-	-	-	-	-
RPC	REYNOLDS PHILIPPINE CORP.	-	-	-	-	600,075.00	-	-	-	-	-	-	-
S	SHANG MINING CO. INC.	-	-	-	-	3,000,000.00	-	-	-	-	-	-	-
SBS	SBS PHILIPPINES CORP.	200.00	1,000.00	50	320	274.00	1,320	-	-	-	-	-	-
SCC	SEMIRARA MINING AND POWER CORP	347,280.00	10,503,220.00	-	-	347,280.00	10,503,220	-	-	-	-	-	-
SECB	SECURITY BANK CORP.	1,260.00	133,899.50	-	-	1,260.00	132,000	-	-	-	-	-	-
SFI	SWIFT FOODS, INC.	123,673.00	6,764.45	-	-	123,673.00	6,764	-	-	-	-	-	-
SFIP	SFI PREFERRED	11,815.00	13,023.20	-	-	11,815.00	13,023	-	-	-	-	-	-
SGI	SOLID GROUP, INC.	49,000.00	43,610.00	-	-	49,000.00	43,610	-	-	-	-	-	-
SGP	SYNERGY GRID & DEV. PHILS. INC.	1,349,800.00	10,148,570.00	-	-	1,349,800.00	10,148,570	-	-	-	-	-	-
SHLPH	SHELL PILIPINAS CORPORATION	45,000.00	300,150.00	2,000	20,000	47,000.00	322,032	-	-	-	-	-	-
SHNG	SHANG PROPERTIES, INC.	48,654.00	170,560.18	-	-	48,654.00	170,560	-	-	-	-	-	-
SLF	SUN LIFE FINANCIAL, INC.	10.00	27,200.00	-	-	10.00	27,200	-	-	-	-	-	-
SLI	STA. LUCIA LAND, INC.	1,239,750,000.00	4,233,082,300.00	-	-	1,239,750,000.00	4,233,082,300	-	-	-	-	-	-

CUALOPING SECURITIES CORPORATION
STOCK POSITION PER LOCATION REPORT
As of December 31, 2023

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
SM	SM INVESTMENT CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
SMB	SAN MIGUEL BREWERY, INC.	1,000.00	[illegible]	-	-	1,000.00	[illegible]	-	-	-	-	-	-
SMC	SAN MIGUEL CORPORATION "A"	[illegible]	[illegible]	-	-	[illegible]	[illegible]	800.00	[illegible]	-	-	-	-
SMC2F	SMC SERIES "2-F"	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
SMC2I	SMC PREFERRED SERIES 2-I	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
SMC2L	SMC PREFERRED SHARES SERIES 2-L	800.00	[illegible]	-	-	800.00	[illegible]	-	-	-	-	-	-
SMC2O	SMC PREFERRED SHARES SERIES 2-O	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
SMPH	SM PRIME HOLDINGS INC.	[illegible]	[illegible]	45	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
SOC	SOC RESOURCES, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
SPC	SPC POWER CORPORATION	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
SPM	SEAFRONT RESOURCES CORP.	[illegible]	[illegible]	211	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
SSI	SSI GROUP, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
SSP	SFA SEMICON PHILIPPINES CORPORATION	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
STI	STI EDUCATION SYSTEMS HOLDINGS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
STN	STENIEL MANUFACTURING CORP.	[illegible]	-	-	-	[illegible]	-	-	-	-	-	-	-
SUN	SUNTRUST HOME DEVELOPERS, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
SWM	SANITARY WARES MANUFACTURING COR.	-	-	-	-	[illegible]	-	-	-	-	-	-	-
T	TKC METALS CORPORATION	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
TBGI	TRANSPACIFIC BROADBAND GROUP INT'L	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
TECH	CIRTEK HOLDINGS PHILS. CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
TECHW	CIRTEK HOLDINGS PHIL. CORP. - WARRANT	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
TEL	PHIL. LONG DISTANCE TELEPHONE CO.	[illegible]	[illegible]	400	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
[illegible]	PLDT 10% PREF SERIES Q	[illegible]	[illegible]	-	-	-	-	[illegible]	[illegible]	-	-	-	-
TFC	PTFC REDEVELOPMENT CORPORATION	[illegible]	[illegible]	27,500	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
TFHI	TOP FRONTIER INVESTMENT HLDGS	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
TUGS	HARBOR STAR SHIPPING SERVICES, INC.	-	-	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
UBP	UNION BANK OF THE PHIL.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-
UNI	UNIOIL RESOURCES & HOLDINGS CO., INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
UP	UNIVERSAL RIGHTFIELD PROP. HLDGS INC.	-	-	-	-	[illegible]	-	-	-	-	-	-	-
UPM	UNITED PARAGON MINING CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
UPSON	UPSON INTERNATIONAL CORP.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
UW	UNIWIDE HOLDINGS, INC.	[illegible]	-	-	-	[illegible]	-	-	-	-	-	-	-
V	VANTAGE EQUITIES, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
VITA	VITARICH CORPORATION	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
VLL	VISTA LAND & LIFESCAPES, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
VMC	VICTORIAS MILLING CO., INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
VREIT	VISTAREIT, INC.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-	-	-
VVT	VIVANT CORPORATION	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
WEB	PHILWEB.COM, INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
WEBW	PHILWEB.COM, INC. WARRANTS	-	-	-	-	[illegible]	-	-	-	-	-	-	-
WIN	WELLEX INDUSTRIES INC.	[illegible]	[illegible]	[illegible]	23	[illegible]	[illegible]	-	-	-	-	-	-
[illegible]	[illegible]	[illegible]	-	-	-	[illegible]	-	-	-	-	-	-	-
WLCON	WILCON DEPOT INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
WPI	WATERFRONT PHILS., INC.	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
WPIW	WATERFRONT PHILS., INC. WARRANT	[illegible]	[illegible]	-	-	[illegible]	[illegible]	-	-	-	-	-	-
X	XURPAS INC.	[illegible]	[illegible]	5,000	495	[illegible]	[illegible]	-	-	-	-	-	-
[illegible]	[illegible]	[illegible]	-	-	-	[illegible]	-	-	-	-	-	-	-
Total		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-	-

DELISTED SHARES

AI	ATOK BIG WEDGE CO. INC. "A"	[illegible]
CM	CARMEN MINDANAO	[illegible]
CO	CONSOLIDATED MINES	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible] MINING CORP. "B"	[illegible]
[illegible]	[illegible] MINING CORP.	[illegible]
[illegible]	[illegible] INTERNATIONAL PHIL.	[illegible]
[illegible]	PIONEER NATURAL RESOURCES CORP.	[illegible]
PNBW	PHIL. NATIONAL BANK WARRANT	[illegible]
POD	PHIL. OIL DEVELOPMENT CO. INC.	[illegible]
RPC	REYNOLDS PHILIPPINE CORP.	[illegible]
[illegible]	[illegible] MINING CO., INC.	[illegible]
SWM	SANITARY WARES MANUFACTURING COR.	[illegible]
UP	UNIVERSAL RIGHTFIELD PROP. HLDGS INC.	[illegible]
WEBW	PHILWEB.COM, INC. WARRANTS	[illegible]
Total		[illegible]

CUALOPING SECURITIES CORPORATION
SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE REVISED SRC RULE 68
FINANCIAL SOUNDNESS INDICATORS
For The Years Ended December 31, 2023 and 2022

Current Ratio

	2023	2022
Total current assets	₱ 58,072,226	₱ 62,686,038
Total current liabilities	17,822,574	14,496,991
Current ratio	3.258:1	4.324:1

Quick Ratio

	2023	2022
Total liquid asset	₱ 55,734,670	₱ 60,510,281
Total current liabilities	17,822,574	14,496,991
Quick ratio	3.127:1	4.174:1

Working Capital to Total Asset

	2023	2022
Working capital	₱ 40,249,652	₱ 48,189,047
Total Asset	116,784,372	117,538,435
Working capital ratio	0.345:1	0.410:1

Solvency Ratio

	2023	2022
Net income (loss) after tax + Depreciation	₱ (3,659,313)	₱ (2,628,322)
Total liabilities	25,601,605	25,135,293
Solvency ratio	(0.143):1	(0.105):1

Debt-to-equity Ratio

	2023	2022
Total liabilities	₱ 25,601,605	₱ 25,135,293
Total equity	91,182,767	92,403,142
Debt-to-equity ratio	0.281:1	0.272:1

CUALOPING SECURITIES CORPORATION
SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE REVISED SRC RULE 68
FINANCIAL SOUNDNESS INDICATORS
For The Years Ended December 31, 2023 and 2022

Asset-to-equity Ratio

	2023	2022
Total assets	₱ 116,784,372	₱ 117,538,435
Total equity	91,182,767	92,403,142
Asset to equity ratio	1.281:1	1.272:1

Interest Rate Coverage Ratio

	2023	2022
Pre-tax profit (loss) before interest	₱ (5,324,343)	₱ (2,759,633)
Interest expense	(1,076,384)	(999,358)
Interest rate ratio	4.947:1	2.761:1

Profitability Ratios

a.) Return on asset ratio

	2023	2022
Net income (loss) after tax	₱ (4,056,375)	₱ (3,012,935)
Average assets	117,161,404	124,865,337
	(0.035):1	(0.024):1

b.) Return on equity ratio

	2023	2022
Net income (loss) after tax	₱ (4,056,375)	₱ (3,012,935)
Average equity	91,792,955	98,270,110
	(0.044):1	(0.031):1

d.) Net Profit Margin

	2023	2022
Net profit (loss) after tax	₱ (4,056,375)	₱ (3,012,935)
Revenue	(949,604)	1,988,704
	4.272:1	(1.515):1

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

CUALOPING SECURITIES CORPORATION
Unit 061Level 3 Ayala Malls Circuit, Hipodromo Street Circuit Makati, Brgy. Carmona Makati City

Unappropriated Retained Earnings, beginning of reporting period		₱ 7,581,003
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	-	
• Others	-	-
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	-	
• Effect of restatements or prior-period adjustments	-	
• Others	-	-
Unappropriated Retained Earnings, as asjusted		7,581,003
Add/Less: Net Income (Loss) for the current year		(4,056,375)
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)	(3,393,173)	
• 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		(3,393,173)
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		-

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

CUALOPING SECURITIES CORPORATION
Unit 061Level 3 Ayala Malls Circuit, Hipodromo Street Circuit Makati, Brgy. Carmona Makati City

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)		**(663,202)**
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		**₱ 6,917,801**