



SECURITIES AND EXCHANGE COMMISSION

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Company Type: Stock Corporation

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Navarro, Jerold Q

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Company TIN: **000-168-671**

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COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

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PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

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Form Type

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Department requiring the report

M	R	D
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Secondary License Type, If Applicable

B	D
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COMPANY INFORMATION

<p>Company's Email Address</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">corsec-sc@maybank.com</td> </tr> </table>	corsec-sc@maybank.com	<p>Company's Telephone Number</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">+63917 8256995</td> </tr> </table>	+63917 8256995	<p>Mobile Number</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">+63917 8256995</td> </tr> </table>	+63917 8256995
corsec-sc@maybank.com					
+63917 8256995					
+63917 8256995					
<p>No. of Stockholders</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">7</td> </tr> </table>	7	<p>Annual Meeting (Month / Day)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">6/26</td> </tr> </table>	6/26	<p>Fiscal Year (Month / Day)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">12/31</td> </tr> </table>	12/31
7					
6/26					
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CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

<p>Name of Contact Person</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Zulein May Gardose</td> </tr> </table>	Zulein May Gardose	<p>Email Address</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">corsec-sc@maybank.com</td> </tr> </table>	corsec-sc@maybank.com	<p>Telephone Number/s</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">+63917 8256995</td> </tr> </table>	+63917 8256995	<p>Mobile Number</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">+63917 8256995</td> </tr> </table>	+63917 8256995
Zulein May Gardose							
corsec-sc@maybank.com							
+63917 8256995							
+63917 8256995							

CONTACT PERSON'S ADDRESS

<p>17th Floor, Tower One and Exchange Plaza, Ayala Triangle, Ayala Avenue Makati City</p>
--

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital Inc.))
ANNUAL AUDITED FINANCIAL REPORT
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DECEMBER 31, 2023

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

COVER PAGE

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

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

IDENTIFICATION OF BROKER OR DEALER	
Name of Broker/Dealer:	Maybank Securities, Inc.
Address of Principal Place of Business:	17th Floor, Tower One and Exchange Plaza, Ayala Triangle Ayala Avenue, Makati City
Name and Phone Number of Person to Contact in Regard to this Report	
Name: Zulein May Gardose	Tel. No.: (02)8849-8888 Fax No.: (02)8848-5738

IDENTIFICATION OF ACCOUNTANT	
Name of Independent Auditors whose opinion is contained in this report:	
Name: SyCip Gorres Velayo & Co.	Tel. No.: (02) 8891-0307
BOA/PRC Reg. No. 0001	Fax No.: (02) 8819-0872
SEC Accreditation No. 0012-FR-4 (Group A)	
Address: 6760 Ayala Avenue, Makati City	
Ray Francis C. Balagtas Partner CPA Certificate No. 108795 Tax Identification No. 216-950-288 BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024 BIR Accreditation No. 08-001998-107-2023, September 12, 2023, valid until September 11, 2026 PTR No. 10079900, January 5, 2024, Makati City	



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

The Management of Maybank Securities, Inc. (the Company) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, as of 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 but to do so.

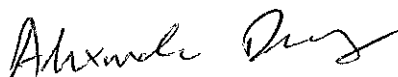
The Board of Directors (BOD) is responsible for overseeing the Company's financial reporting process.

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


SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders for the periods of December 31, 2023 and 2022, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the BOD and stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



RICARDO NICANOR N. JACINTO
Chairman of the Board *RJN*



ALEXANDER LUDWIG L. DAUZ
President *AD*



ANGEL MIGUEL Y. VIADO
Treasurer

Signed this 3rd day of April 2024

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Maybank Securities, Inc.
17th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Maybank Securities, Inc. (formerly Maybank ATR Kim Eng Securities, Inc.) (the Company), a wholly owned subsidiary of Maybank Capital, Inc. (formerly known as Maybank Kim Eng Capital, Inc.), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including 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 (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

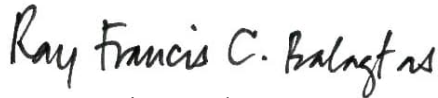


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 30 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Maybank Securities, Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Ray Francis C. Balagtas

Partner

CPA Certificate No. 108795

Tax Identification No. 216-950-288

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

BIR Accreditation No. 08-001998-107-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10079900, January 5, 2024, Makati City

April 3, 2024



MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc. (formerly known as Maybank Kim Eng Capital, Inc.))
STATEMENTS OF FINANCIAL POSITION

	December 31, 2023			December 31, 2022		
	Security Valuation			Security Valuation		
	Money Balance	Long	Short	Money Balance	Long	Short
ASSETS						
Current Assets						
Cash on Hand and in Banks (Notes 6 and 26)	₱774,036,432			₱533,296,694		
Due from						
Customers (Notes 7 and 26)	645,286,490	₱38,209,318,160	₱-	829,596,445	₱41,315,264,643	₱-
Clearing house (Note 8)	29,716,224			86,170,564		
Related companies (Note 26)	173,544,079			197,911,395		
Receivables (Note 9)	1,465,561			1,569,369		
Financial Assets at Fair Value through Profit or Loss (Note 12)				261,600	261,600	
Prepayments	2,656,580			9,290,924		
Other Current Assets (Note 13)	5,415,801			7,467,451		
	1,632,121,167			1,665,564,442		
Noncurrent Assets						
Investment in an Associate (Notes 10)	6,507,543			5,808,261		
Property and Equipment (Note 11)	56,361,610			74,175,945		
Exchange Trading Right (Note 12)	1,000,000			1,000,000		
Deferred Tax Assets (Note 25)	44,771,694			28,672,695		
Other Noncurrent Assets (Note 13)	50,703,054			46,839,049		
	159,343,901			156,495,950		
	₱1,791,465,068			₱1,822,060,393		
Securities in Box and Philippine Depository and Trust Corporation					65,984,648,656	68,380,944,238

(Forward)



	December 31, 2023			December 31, 2022		
	Security Valuation			Security Valuation		
	Money Balance	Long	Short	Money Balance	Long	Short
LIABILITIES AND EQUITY						
LIABILITIES						
Current Liabilities						
Due to:						
Customers (Notes 14 and 26)	₱659,700,794	₱27,800,583,533	₱25,253,037	₱679,446,846	₱27,133,265,218	₱67,847,223
Clearing house (Note 8)	67,510,851			103,331,942		
Related companies (Note 26)	13,373,621			82,930		
Brokers	39,602			39,602		
Accrued Expenses and Other Liabilities (Note 15)	61,808,596			60,473,116		
Loans Payable (Note 16)	-			50,000,000		
Income Tax Payable	9,426,621			8,986,789		
	<u>811,860,085</u>			<u>902,361,224</u>		
Noncurrent Liabilities						
Pension Liability (Note 21)	43,514,159			33,790,130		
Other Noncurrent Liabilities (Notes 15, 17 and 20)	35,797,218			46,849,335		
	<u>79,311,377</u>			<u>80,639,465</u>		
	<u>891,171,462</u>			<u>983,000,689</u>		
EQUITY						
Share Capital (Note 18)	400,000,000			400,000,000		
Share Premium	4,795,900			4,795,900		
Remeasurement Losses on Defined Benefit						
Obligation (Note 21)	(54,994,943)			(53,277,924)		
Share in Other Comprehensive Income of an Associate (Notes 10)	309,743			293,615		
Retained Earnings:						
Appropriated (Note 28)	186,384,263			180,090,784		
Unappropriated	363,798,643			307,157,329		
	<u>900,293,606</u>			<u>839,059,704</u>		
	<u>₱1,791,465,068</u>	<u>₱66,009,901,693</u>	<u>₱66,009,901,693</u>	<u>₱1,822,060,393</u>	<u>₱68,448,791,461</u>	<u>₱68,450,414,294</u>

See accompanying Notes to Financial Statements.



MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital, Inc.))

STATEMENTS OF INCOME

	Years Ended December 31	
	2023	2022
REVENUES/GAINS (LOSSES)		
Commission income (Notes 19 and 26)	₱367,375,064	₱344,105,108
Interest (Notes 6, 7 and 26)	54,395,845	32,202,508
Trading (loss) gain – net	(113,431)	14,593
Others (Notes 10 and 26)	24,937,046	34,487,181
	446,594,524	410,809,390
COST OF SERVICES		
Compensation and employee benefits (Notes 20 and 26)	76,740,540	75,916,813
Stock exchange fees and dues	27,421,412	24,636,043
Commission	14,398,424	12,183,405
Research and marketing (Note 26)	1,608,383	1,862,147
	120,168,759	114,598,408
GROSS PROFIT	326,425,765	296,210,982
OPERATING EXPENSES		
Bad debts, provision for impairment and credit losses (Notes 6, 7 and 9)	54,330,304	19,922,170
Referral fee (Notes 22 and 26)	49,878,035	41,622,747
Compensation and employee benefits (Notes 20 and 26)	42,692,404	40,444,382
Financial information services (Note 23)	35,391,182	22,169,161
Depreciation and amortization (Note 11)	19,476,899	20,360,297
Repairs and maintenance (Note 26)	14,335,031	23,599,387
Audit fees and other professional fees	2,814,962	4,922,932
Transportation and travel	2,533,412	2,313,431
Entertainment, amusement and recreation (Note 25)	2,288,190	1,586,849
Interest expense (Note 16)	2,175,331	195,506
Postage, telephone, cables and telegram	1,454,576	1,238,276
Power, light and water	1,143,962	2,568,354
Taxes and licenses	985,979	1,067,061
Settlement cost	745,701	1,088,982
Stationery and office supplies	473,865	602,269
Marketing and promotion	276,203	80,612
Others (Notes 17, 24 and 26)	11,151,379	8,272,716
	242,147,415	192,055,132
INCOME BEFORE INCOME TAX	84,278,350	104,155,850
INCOME TAX EXPENSE (Note 25)	21,343,556	27,124,925
NET INCOME	₱62,934,794	₱77,030,925

See accompanying Notes to Financial Statements.



MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital, Inc.))

STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2023	2022
NET INCOME	₱62,934,794	₱77,030,925
OTHER COMPREHENSIVE INCOME (LOSSES)		
Other comprehensive income (losses) not to be reclassified to profit or loss in subsequent periods:		
Share in other comprehensive gain (loss) of an associate (Notes 10)	16,128	197,058
Remeasurement gains (loss) on defined benefit obligation (Note 21)	(2,289,358)	9,050,490
Income tax effect (Notes 21 and 25)	572,339	(2,262,623)
Other comprehensive income for the year, net of tax	(1,700,891)	6,984,926
TOTAL COMPREHENSIVE INCOME	₱61,233,903	₱84,015,851

See accompanying Notes to Financial Statements.



MAYBANK SECURITIES, INC.

(A Wholly Owned Subsidiary of Maybank Capital, Inc. (formerly known as Maybank Kim Eng Capital Inc.))

STATEMENTS OF CHANGES IN EQUITY

	Share Capital (Note 18)	Share Premium	Remeasurement Losses on Defined Benefit Obligation (Note 21)	Share in Other Comprehensive Income of an Associate (Note 10)	Appropriated Retained Earnings (Note 28)	Unappropriated Retained Earnings	Total
Balance at January 1, 2023	₱400,000,000	₱4,795,900	(₱53,277,924)	₱293,615	₱180,090,784	₱307,157,328	₱839,059,703
Total comprehensive income	-	-	(1,717,019)	16,128	-	62,934,794	61,233,903
Appropriation of retained earnings (Note 28)	-	-	-	-	6,293,479	(6,293,479)	-
Balance at December 31, 2023	₱400,000,000	₱4,795,900	(₱54,994,943)	₱309,743	₱186,384,263	₱363,798,643	₱900,293,606
Balance at January 1, 2022	₱400,000,000	₱4,795,900	(₱60,065,792)	₱96,557	₱172,387,691	₱237,829,496	₱755,043,852
Total comprehensive income	-	-	6,787,868	197,058	-	77,030,925	84,015,851
Appropriation of retained earnings (Note 28)	-	-	-	-	7,703,093	(7,703,093)	-
Balance at December 31, 2022	₱400,000,000	₱4,795,900	(₱53,277,924)	₱293,615	₱180,090,784	₱307,157,328	₱839,059,703

See accompanying Notes to Financial Statements.



MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital, Inc.))

STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱84,278,350	₱104,155,850
Adjustments for:		
Interest income (Note 19)	(54,395,845)	(32,202,508)
Depreciation and amortization (Note 11)	19,476,899	20,360,297
Pension expense (Note 21)	7,434,671	7,779,775
Interest expense (Notes 16, 17, 24)	4,418,752	1,259,898
Share in net income of an associate (Notes 10 and 26)	(683,154)	(1,239,190)
Provision for Impairment and Credit Losses (Notes 6, 7 and 9)	54,330,305	19,855,805
Gain on disposal of property and equipment	-	(104,869)
Operating income before changes in operating assets and liabilities	114,859,978	119,865,058
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Financial assets at fair value through profit or loss	261,600	(261,600)
Due from:		
Customers	129,939,075	(22,246,097)
Clearing house	56,454,340	(44,074,947)
Related companies	(25,632,684)	62,322,774
Prepayments	6,634,344	(1,232,587)
Receivables	105,654	459,812
Other assets	(1,812,355)	(3,837,991)
Increase (decrease) in:		
Due to:		
Customers	(19,746,052)	(325,153,397)
Clearing house	(35,821,091)	38,082,779
Related companies	13,290,691	(76,627,822)
Accrued expenses and other liabilities	(13,350,913)	933,489
Net cash provided by (used in) operations	225,182,587	(251,770,529)
Income taxes paid	(36,430,383)	(22,279,111)
Interest received	54,395,845	32,202,354
Net cash provided by (used in) operating activities	243,148,050	(241,847,286)

(Forward)



	Years Ended December 31	
	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Collection of loans to Parent Company (Note 26)	₱50,000,000	₱-
Acquisitions of property and equipment (Note 11)	(6,419,443)	(20,869,098)
Proceeds from disposal of property and equipment	4,756,879	104,923
Loans granted to Parent Company	-	(100,000,000)
Net cash provided by (used in) investing activities	48,337,436	(120,764,175)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of loans payable	(50,000,000)	-
Lease payments (Note 17)	(784,478)	(5,715,556)
Proceeds from loans payable	-	50,000,000
Net cash (used in) provided by financing activities	(50,784,478)	44,284,444
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	240,701,008	(318,327,017)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	533,296,694	851,568,915
Less movements in allowance for expected credit losses	38,730	54,796
CASH AND CASH EQUIVALENTS AT END OF YEAR	₱774,036,432	₱533,296,694

See accompanying Notes to Financial Statements.



MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital, Inc.))

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Maybank Securities, Inc. (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 22, 1978 primarily to engage in the stock brokerage business. The Company is a wholly owned subsidiary of Maybank Capital, Inc. (formerly known as Maybank Kim Eng Capital, Inc.) (Maybank Capital or the Parent Company). Malayan Banking Berhad, a company incorporated in Malaysia, is the ultimate parent company.

On January 31, 2022, the Securities and Exchange Commission approved the amendment of the Company name from Maybank ATR Kim Eng Securities, Inc. to Maybank Securities, Inc. The amendment was adopted on September 20, 2021 by majority vote of BOD and on October 8, 2021 by the vote of the shareholders.

Approval of the financial statements

The accompanying financial statements have been approved and authorized for issuance by the Board of Directors (BOD) on April 3, 2024.

2. Basis of Preparation and Summary of Material Accounting Policies

Basis of Preparation

The accompanying financial statements of the Company have been prepared on a historical cost basis except for financial assets at fair value through profit or loss (FVTPL) that have been measured at fair value.

Presentation of Financial Statements

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. The Company assesses that it has currently enforceable right of offset if the right is not contingent on a future event and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Company and all of the counterparties. Income and expenses are not offset in the statement of income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Company.

Statement of Compliance

The accompanying financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS).

Functional and Presentation Currency

The accompanying financial statements are presented in Philippine peso, which is the Company's functional and presentation currency. All values are rounded to the nearest peso unless otherwise stated.



Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following new, amendments and improvements to PFRS and Philippine Accounting Standards (PAS), which became effective as of January 1, 2023. The adoption of the amendments to the standards did not have any significant impact on the accounting policies, financial position or performance of the Company.

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

Standards issued but not yet effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Company does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Company intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of Exchangeability*

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*

Cash and Cash Equivalents

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

Financial Instruments – Initial Recognition

Date of recognition

Financial instruments are any contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability in the statement of financial position when it becomes a party to the contractual provisions of the instrument. PFRS 9 provides a policy choice for such transactions: they can be recognized and derecognized using trade date accounting or settlement date accounting. The trade date is the date that an entity commits itself to purchase or sell an asset. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on trade date. Loans and other receivables and amounts due to non-trading counterparties are recognized when cash is received by the Company or advanced to the counterparties.



Financial Instruments at FVPL

Financial assets and financial liabilities at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in 'Trading gain/(loss) – net' in the statement of income. Interest earned or incurred is recorded in interest income or expense, respectively, while dividend income is recorded in other revenues according to the terms of the contract, or when the right of the payment has been established

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

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios. As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they pass the contractual cash flows test.

The Company has no investment securities at FVOCI as at December 31, 2023 and 2022.

Financial assets at amortized cost

Financial assets at amortized cost are debt financial assets that meet both of the following conditions: (i) these are held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows; and (ii) the contractual terms give rise on specified dates to cash flows that are "solely payment of principal and interest" (SPPI) on the outstanding principal amount.

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

As of December 31, 2023 and 2022, the Company's cash in banks, amounts due from customers, related companies, clearing house, receivables and refundable deposits (including refundable contributions to Clearing and Trade Guaranty Fund and security deposits) under Other Assets are classified under this category.

Other Financial Liabilities

Issued financial instruments or their components, which are not designated as at FVTPL are classified as other financial liabilities, where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to 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. The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue. After initial



measurement, other financial liabilities are 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 EIR. Any effects of restatement of foreign currency-denominated liabilities are recognized in 'Others' account in the statement of income.

As of December 31, 2023 and 2022, the Company's due to customers, brokers, clearing house, and related parties, loans payable, accrued expenses and accounts payable are classified under this category.

Fair Value Measurement

Fair value is the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

Trade Receivables and Payables

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

Impairment of financial assets

The Company recognizes an ECL for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition (stage 1 financial assets), ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition (stage 2 financial assets), a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Financial instruments are classified as Stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows from the financial instruments. The ECL model requires that lifetime ECL be recognized for these impaired financial instruments.

The Company applies the low credit risk simplification provided under PFRS 9 in the staging assessment of its cash in bank. Under this operational simplification the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition (i.e., under 'Stage 1') if the financial instrument is determined to have a low credit risk at the reporting date. In this case, an external rating of 'investment grade' is considered as having in low credit risk. Otherwise, those financial instruments that are non-investment grade' are under 'Stage 2'.

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

The Company assesses on a forward-looking basis the ECL associated with its debt instruments carried at amortized cost and the exposure arising from unutilized margin trading facility.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of Financial Instruments

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



When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the 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 or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Creditable Withholding Taxes

Creditable withholding taxes under 'Other current assets' (CWT) represent prepayments of income tax by the Company through its payors who withhold and pay the same to the Bureau of Internal Revenue (BIR). These are accounted for as assets deductible from income tax due on quarterly and annual income tax returns.

In accordance with Section 2.58(B) of Revenue Regulations No. 2-1998, as amended, the Company obtains from each payor the creditable withholding tax certificate or BIR Form No. 2307 which serves as proof of withholding and is required to be attached to the income tax return.

Value-Added Tax (VAT)

Revenue, expenses and assets are recognized net of the amount of VAT except:

- Where the VAT incurred on the purchase of an asset or service is not recoverable from the tax authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of VAT included.

Investment in an Associate

Associate pertains to an entity over which the Company has significant influence but not control, generally accompanying a shareholding of between 20.0% to 50.0% of the voting rights. Investment in an associate is accounted for under the equity method of accounting. Under the equity method, investment in an associate is carried in the statement of financial position at cost plus post acquisition changes in the Company's share in the net assets of the associate. The Company's share in the associate's post-acquisition income or losses is recognized in the statement of income, and its share in post-acquisition movements in the associate's other comprehensive income (OCI) is recognized directly in the Company's OCI. When the Company's share of losses in an associate equal or exceed its interest in the associate, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Upon loss of significant influence over the associate, the Company measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in the statement of income.



Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the items of property and equipment.

Depreciation and amortization are calculated using the straight-line method to allocate cost less residual values over the estimated useful lives of the assets as follows:

	<u>Number of Years</u>
Leasehold improvements	10 years or lease term, whichever is shorter
Furniture, fixtures and office equipment	3 to 5
Transportation equipment	5

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance are recognized in profit or loss in the year incurred.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year when the asset is derecognized.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying is available for use) as part of Property and Equipment. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term as follow.

	<u>Number of years</u>
Office space	5 years or lease term, whichever is lower
Data center	3 years or lease term, whichever is lower

Right-of-use assets are subject to impairment. Refer to the accounting policies in section impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities under 'Accrued expenses and other liabilities' measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to



terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Exchange Trading Right

Exchange trading right is a result of the Philippine Stock Exchange (PSE) conversion plan to preserve the Company's access to the trading facilities and continue to transact business in PSE. The exchange trading right is an intangible asset that is regarded as having an indefinite useful life as there is no foreseeable limit to the period over which this asset is expected to generate net cash inflows for the Company.

Exchange trading right is carried at the original cost of the exchange membership seat less any allowance for impairment loss. The Company does not intend to sell the exchange trading right in the near foreseeable future.

Impairment of Nonfinancial Assets

At each reporting date, the Company assesses whether there is any indication that its nonfinancial assets such as property and equipment, right of use assets and investment in an associate are impaired. When an indicator of impairment of nonfinancial assets exists, the Company estimates the impaired asset's recoverable amount, which is the higher of fair value less costs to sell and value in use. For exchange trading right, the asset is tested for impairment annually at either individually or at the cash-generating unit level, as appropriate. Where the carrying amount of an asset exceeds its recoverable amount, the excess is recognized as an impairment loss in the Company's statement of income in the year in which it arises. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

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

Equity

Share capital is determined using the nominal value of shares that have been issued. When the shares are sold at a premium, the difference between the proceeds and the par value is credited to "Share premium".



Unappropriated retained earnings represent the free portion of the accumulated profits of the Company. Appropriation of retained earnings is made in accordance with Securities Regulation Code (SRC) Rule 49.1 (B), *Reserve Fund*, of the SEC, and other appropriations.

Dividends on Common Shares

Dividends are recognized as liability and a deduction from equity when they are approved by the Company's BOD. Dividends for the year that are approved after the end of the reporting period are dealt with as an event after the end of the reporting period.

Revenue

Revenues within the scope of PFRS 15

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

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

Commissions

Commissions are recognized as income upon confirmation of trade deals. These are computed for every trade transaction based on a flat rate or a percentage of the amount of trading transaction, whichever is higher.

Gain on sale of property and equipment

Gain on sale of property and equipment is recognized when the Company has transferred to the buyer the significant risks and rewards of ownership of the property and equipment. It is measured as the difference between the proceeds of the sale and the carrying value of the property and equipment at the time of sale.

Miscellaneous income

Miscellaneous income is recognized when services are rendered and completed.

Revenues outside the scope of PFRS 15

Interest

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

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



Trading gain/(loss) – net

Results arising from proprietary trading activities include all gains or losses from changes in fair value for financial assets and financial liabilities at FVTPL and gains and losses from disposal of investment securities at FVTPL and debt securities at FVOCI.

Realized gains and losses on disposals of financial instruments classified as at FVTPL are calculated using the first-in, first-out (FIFO) method. They represent the difference between an instrument's initial carrying amount and disposal amount.

Dividend

Dividend income is recognized in profit or loss when the Company's right to receive the payment is established.

Costs and Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Cost of services such as commissions, direct personnel costs, stock exchange dues and fees, central depository fees, research costs, and communication costs are recognized when the related revenue is earned or when the service is rendered. The majority of operating expenses incurred by the Company such as indirect personnel costs, professional fees, computer services, and other operating expenses are overhead in nature and are recognized with regularity as the Company continues its operations.

Employee Benefits

Pension cost

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

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined pension costs comprise the following:

- Service cost;
- Net interest on the net defined benefit obligation; and
- Remeasurements on the net defined benefit obligation.

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

Net interest on the net defined benefit obligation is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit obligation is recognized as expense or income in profit or loss under "Compensation and employee benefits".



Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI under “Remeasurement gains (losses) on defined benefit obligation” in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Company, nor can they be paid directly to the Company. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Company’s right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period. Leaves that can be carried forward and used in future periods until separation are discounted at their present values and presented as “Noncurrent liabilities” in the statement of financial position.

Foreign Currency Denominated Transactions and Balances

Transactions in foreign currencies are initially recorded in the foreign currency exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the closing rate prevailing at reporting date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the closing rate prevailing at the end of the reporting period.

Income Tax

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute this amount are those that are enacted or substantively enacted as at the reporting date.

Deferred income tax

Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences can be utilized.



Deferred income tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income or loss.

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

Deferred tax assets and liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as at the reporting date.

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

Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessment of the time value of money and, where appropriate, the risk specific to the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss, net of any reimbursement.

Contingencies

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

Events After the Reporting Date

Any post year-end event that provides additional information about the Company's financial position at the reporting date (adjusting event) is reflected in the financial statements. Any post year-end event that is not an adjusting event, if any, is disclosed in the financial statements when material.



3. Critical Judgments and Estimates

The Company makes judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses. These judgments and estimates are continually evaluated and are adjusted based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates

(a) Expected credit losses on financial assets

The Company maintains an allowance for impairment losses based on the result of the individual and collective assessment. The Company performs collective impairment by grouping exposures into smaller homogeneous portfolios based on a combination of borrower and account characteristics. Accounts with similar risk attributes (i.e., facility, security, credit rating, months-on-books, utilization and collateral type, etc.) are pooled together for calculating provisions based on the ECL models. The Company assesses on a forward-looking basis the ECL associated with its debt instrument asset carried at amortized cost and the exposure arising from unutilized margin trading facility.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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

The carrying amount of amounts due from customers and clearing house, and receivables as of December 31, 2023 and 2022 are disclosed in Notes 7, 8, and 9, respectively.

(b) Recognition of deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable income together with future tax planning strategies.

The Company reviews the carrying amount of deferred tax asset at each reporting date and reduces this to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized.

As of December 31, 2023 and 2022, the Company has recognized net deferred tax assets amounting to ₱44.8 million and ₱28.7 million, respectively (see Note 25).



(c) *Impairment of investment in an associate*

The Company assesses impairment of its investment in an associate whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Among others, the factors that the Company considers important that could trigger an impairment review on its investment in an associate include the following:

- significant or prolonged decline in fair value of the asset;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

As of December 31, 2023 and 2022, the carrying amount of investment in an associate is disclosed in Note 10.

The Company did not recognize additional allowance for impairment losses on its investment in associate as of December 31, 2023 and 2022. The recoverable amount of the asset has been determined based on the asset's value in use. Key assumptions in the value in use calculation are most sensitive to discount rates used to compute the net present value and growth rates used to project cash flows.

Future cash flows are estimated based on financial budgets approved by the associate's senior management adjusted based on historical realization. Average growth of future cash flows was derived from the average historical increase in annual income of the investment in the last three years.

(d) *Pension liability*

The cost of defined benefit pension plans as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates and future salary increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

Further details about the assumptions used, and the carrying amounts of the pension liability as of December 31, 2023 and 2022 are provided in Note 21.

4. **Fair Value of Financial Instruments**

Fair value hierarchy

The different levels of measuring fair value have been defined in Note 2, under Fair Value Measurement.



The following methods and assumptions were used to estimate the fair value of assets and liabilities of the Group for which it is practicable to reliably estimate such value:

Cash on hand and in banks

The carrying amount approximates fair value considering that these instruments have original maturities of three months or less and are subject to an insignificant risk of changes in value.

Amounts due from and to customers, brokers, clearing house, and related companies, receivables, and accrued expenses and other liabilities (except taxes payable)

The carrying amounts approximate fair values due to the relative short-term maturities of such instruments. Management believes that the effect of discounting cash flows from these instruments using the prevailing market rates is not significant.

Security deposits/refundable deposits

Quoted market prices are not readily available for these assets. These are reported at cost and are not significant to the Company's financial assets portfolio.

Financial assets at FVTPL

These consist of quoted equity securities. The fair values are based on quoted prices published in active markets and accordingly uses level 1 input for fair value measurement. The fair value of FVTPL financial assets amounted to nil and ₱0.3 million as of December 31, 2023 and 2022, respectively.

There are no transfers in the fair value hierarchy in 2023 and 2022.

Loans payable and Interest bearing Due from related companies

The carrying amounts approximate fair values due to the relative short-term maturities of such instruments.

5. Financial Risk Management

The Company adopted the Maybank Kim Eng Group ("Group") Integrated Risk Management Framework ("Framework") which is intended to institutionalize vigilance and awareness of the management of risk across the Group.

The primary objectives of the Framework are as follows:

- Provide a concise and holistic documentary standard as a single point of reference which outlines the broad overarching framework in providing direction for the management of all risk elements that the Group is exposed to.
- Establishes key risk principles that are fully integrated into the Group's overall risk management structure, process and embedded in the day-to-day management of business.
- Facilitates effective risk oversight through a sound and clearly defined internal governance model, with clear structure of risk ownership and accountability.
- Enhances risk awareness and culture that is guided by the established risk principles, to be seamlessly embedded across the governance structure and business processes.
- Standardizes risk terminologies across the Group to facilitate a consistent and uniform approach to manage risk.

The Company implements the policies, procedures and guidelines established by the Risk Management Committee and approved by the BOD.



The policies, procedures and guidelines are meant to manage financial risks common to the different entities in the Maybank Group and those which are specific to certain subsidiaries given the nature of their respective operations. Discussed below are the risk management policies and measurement tools used by the Maybank Group in monitoring and managing its significant financial risks relevant to the Maybank Group as a whole and to each operating segment in particular:

Market Risk

Market risk is the risk of loss or adverse impact on earnings or capital from changes in the level of volatility of market rates or prices such as, but not limited to, the risks arising from prevailing interest rates and implied volatilities on interest rate options (interest rate risk), risk arising from changes in foreign exchange rates or adverse movements/mismatches in currencies (foreign exchange risk) and the risk arising from movements in the price of equities, equity indices and equity baskets (equity risk).

The Company's market risk emanates from its securities in proprietary account which are held for trading purposes and foreign currency-denominated financial instruments. In accordance with Risk-Based Capital Adequacy (RBCA) requirement, certain limit is imposed for the equity, debt, and foreign exchange positions of the Company.

a. *Foreign Exchange Risk*

The Company is exposed to foreign exchange risk arising from currency exposures with respect to the US dollar (US\$) denominated cash in banks.

The Finance Department is responsible for managing the net foreign exchange position of the Company. Only a minimal amount of foreign currency denominated cash in banks is maintained at any given time. Foreign exchange rates are monitored on a daily basis and depending upon projections, cash and cash equivalents are retained, sold wholly or partially, or hedged via forward or option transactions.

In translating foreign currency denominated cash in banks into Philippine peso amount, the exchange rates used were ₱55.57 to US\$1.0 and ₱56.12 to US\$1.0 as of December 31, 2023 and 2022, respectively.

The table below summarizes the Company's exposure to foreign exchange risk as of December 31, 2023 and 2022:

	2023			2022		
	USD	Other Currencies*	PHP	USD	Other Currencies*	PHP
Assets						
Cash in banks	\$2,468	-	₱137,158	\$1,289,196	-	₱72,349,665
Short-term placements	-	-	-	455,008	-	25,535,075
Due from Related Parties	-	-	-	221,027	129,494	17,123,576
	\$2,468		₱137,158	1,965,231	129,494	₱115,008,317
Liabilities						
Due to Customers and Related Parties	\$1,344	-	₱74,834	\$386,778	148,366	₱28,696,287
	\$1,344	-	₱74,834	\$386,778	148,366	₱28,696,287

*Other currencies include GBP, HKD, MYR, SGD



The following table shows the sensitivity to a reasonably possible change in US\$ exchange rate, with all other variables held constant, of the Company's income before tax and its equity as of December 31, 2023 and 2022.

Peso Appreciation (Depreciation) Vis-à-vis U.S. Dollar and Other Currencies	Increase (Decrease) in Income Before Tax	
	2023	2022
+₱1	(₱1,124)	(₱1,578,453)
-₱1	1,124	1,578,453

There is no other impact on the Company's equity other than those affecting profit or loss.

b. *Equity Risk*

The Company is exposed to equity risk in relation to its securities held for trading, which is as of December 31, 2023 and 2022 is not material.

The Company's trading strategies with respect to its security positions are periodically reviewed by the Company's Chief Finance Officer (CFO)/Head of Finance together with the senior management. Senior management is responsible for reviewing trading positions, exposures, profit and losses and trading strategies. Said positions are marked-to-market every month (or more often in a volatile market environment) in order that the mandate of senior management as to the points at which to liquidate the securities could be carried out.

The maximum holding period for financial assets at FVPL is ninety (90) days. Exceptions to this rule are approved by senior management.

c. *Interest Rate Risk*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Limits are set on the level of mismatch of interest rate repricing that may be undertaken, which is monitored regularly.

As of December 31, 2023 and 2022, respectively, the Company has no margin accounts with variable interest rates. As of December 31, 2023 and 2022, the Company's short-term loans payable and interest bearing due from related parties has fixed interest rates.

Credit Risk

Credit risk refers to the risk of loss of principal or income arising from the failure of an obligor or counterparty to perform their contractual obligations in accordance with agreed terms. It stems primarily from lending, underwriting, trading and investment activities from both on and off-balance sheet transactions.



In order to mitigate credit risk, it is the policy of the Maybank Group that each business entity within the Group: (a) deals only with reputable and creditworthy obligors and counterparties; (b) establishes prudent credit limits for each obligor and counterparty; and (c) monitors usage of credit limits to ensure that those limits are complied with. As a member of Maybank Group, the Company adheres to this policy. As of December 31, 2023 and 2022, the Company has significant concentration of credit risk relating to receivables from individuals and institutional counterparties arising from the normal course of business of the Company.

In the Company's normal course of business, the activities include trade execution for its clients which may expose the Company to risk arising from price volatility which can reduce the clients' ability to meet their obligations. To the extent clients are unable to meet their commitments to the Company, the Company may be required to purchase or sell financial instruments at prevailing market prices in order to fulfill the client's obligations.

In accordance with industry practice, client trades are settled generally three (3) business days after trade date. Starting August 24, 2023 per SEC Memorandum Circular no. 11, series of 2023, client trades are settled two (2) business days after trade date. Should either the client or the counterparty fail to settle its obligation on the settlement date, the Company may be required to complete the transaction at prevailing market prices.

Institutional and foreign clients settle their trade on a "delivery versus payment" scheme such that no shares are received or delivered without corresponding payment, thus, limiting credit risk within the standard T+2 (transaction date plus 2 days) starting August 24, 2023 and T+3 (transaction date plus 3 days) settlement prior to August 24, 2023. Individual clients maintain their securities position with the Company in its scriptless form and are usually sufficient to cover the Company's receivable from the counterparty.

The Company monitors concentration of credit risk on both individual and institutional counterparties by considering their creditworthiness, financial strength, and the size of their positions or commitments. Where considered necessary, the Company requires a deposit of additional collateral or a reduction of securities position from the counterparty.

The Company provides margin financing facility to customers subject to Credit Committee approval and is regularly monitored for compliance with the margin limit and collateral requirement. The collateral requirement for margin accounts is 200% of the outstanding receivable from the counterparty.

Margin accounts under due from customers as of December 31, 2023 and 2022 amounted to ₱240.7 million and ₱345.5 million, respectively with a collateral position of ₱1.9 billion and ₱2.1 billion, respectively (see Note 7).

Maximum exposure to credit risk after collateral held or other credit enhancements

The maximum exposure to credit risk is the carrying value at the reporting date of each class of Financial assets of the Company except for receivables from customers wherein the Company holds collateral as security.



The table below shows an analysis of the maximum exposure to credit risk from due from customers after taking into account any collateral held or other credit enhancements:

	2023	2022
On-balance sheet exposures	₱645,286,490	₱829,596,445
Unutilized margin facilities (Note 27)	430,440,361	306,394,746
Total exposures	1,075,726,851	1,135,991,191
Fair value of collateral	38,209,318,160	41,315,264,642
Maximum exposure to credit risk	62,274,442	742,448

Gross maximum exposure to credit risk for other on-balance sheet financial assets would approximate their carrying values.

Due from customers are monitored on an ongoing basis in order to reduce the Company's exposure to bad debts.

Set out below is the information about the credit risk exposure on the Company's due from customers with ECL determined using the customer's collateral:

As of December 31, 2023					
	T+ to T+2	T + 3 to T + 12	T +13 to T + 30	Beyond T + 30	Total
Gross carrying amount at default	₱375,319,137	₱3,794,771	₱35,735,448	₱ 310,813,262	₱725,662,618
Expected credit losses	₱-	₱11,184	₱29,808	₱80,335,136	₱80,376,128

As of December 31, 2022						
	T+ to T+3	T+4 to T+13	T+14 to T+30	T+31 to T+45	Over T+45	Total
Gross carrying amount at default	₱333,583,020	₱53,654,494	₱77,395,859	₱21,426,197	₱ 369,542,123	₱855,601,693
Expected credit losses	₱-	₱24,112,851	₱24,866	₱1,014	₱1,866,518	₱26,005,249

Individual staging assessment of each financial asset presented above are presented in Notes 6, 7 and 8.

The credit quality of the financial assets is determined as follows:

- Cash in banks are considered high grade since these are deposited with reputable banks and duly approved by the BOD and have low probability of insolvency.
- For trade-related receivables, the Company reviews on a regular basis the payment history of individual clients and whenever default in the payment is observed, the client is not allowed to trade until the account is settled. High grade clients are those who settle their trades within the standard T+3 settlement period prior to August 24, 2023 and T+2 starting August 24, 2023, or whose collateral position is more than enough to cover the outstanding debit balance. Foreign and corporate clients are considered high grade because of its delivery versus payment settlement process. Trade receivables from margin customers have no specific credit terms but customers are required to maintain the value of their collateral within a specific level. Once the value of collateral falls down this level, customers may either deposit additional collateral or sell stock to cover their account balance.
- Amounts due from related companies are considered high grade since the related parties have very low probability of default as demonstrated by their long history of stability, profitability, and good financial standing. The related parties either have proven the ability to raise substantial amounts of funds through the public markets or external financing, have strong debt service record or have moderate use of leverage.



- Refundable deposits are classified as high grade since the amount shall be kept intact by: (1) the lessor throughout the term of the contract and shall be returned after the term; and (2) the government institutions as a requirement to conduct stock brokerage business and shall be returned after the Company ceases to operate its business.

The analysis of due from customers that were past due but not impaired as of December 31, 2023 and 2022 follow:

	T + 2 to T + 12	T +13 to T + 30	Beyond T + 30	Total
2023	₱3,794,771	₱35,735,448	₱310,813,262	₱350,343,481

	T+4 to T+13	T+14 to T+30	T+31 to T+45	Over T+45	Total
2022	₱53,654,494	₱77,395,859	₱21,426,197	₱369,542,123	₱522,018,673

Most of the amounts due from customers are secured by a collateral position. Any impairment loss on the accounts not secured by a collateral position is not significant.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows

- PD – The *Probability of Default* is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.
- EAD – The *Exposure at Default* is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments
- LGD – The *Loss Given Default* is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD

Liquidity Risk and Funding Management

Liquidity risk is the risk of being unable to meet payment obligations as they become due without incurring unacceptable losses due to disruption in funding sources, and/or inability to liquidate assets quickly due to changes in market conditions, and/or unplanned utilization of cash resources.

Management of liquidity is the responsibility of the Finance Department of the Company. Given the nature of the Company's business, mitigation of liquidity risk involves in the first instance, forecasting liquidity requirements and ensuring that sufficient balance of cash on hand and in banks is maintained to meet immediate needs.

The maturity dates of financial assets and liabilities are matched. The liability to customers, brokers and/or clearing house are matched by a corresponding receivable from customers, brokers and/or clearing house. Liquidity risk would arise if all trade receivables are not settled in the usual T+2 settlement period.



As of December 31, 2023 and 2022, the contractual undiscounted cash flows of the Company's financial assets and liabilities are as follows:

	2023					Total
	On Demand	Up to 1 Month	1 to 3 months	3 to 12 months	Beyond 1 year	
Financial Assets						
Cash on hand and in banks	₱774,058,925	₱1,161,474	₱-	₱-	₱-	₱775,220,399
Due from:						
Customers	-	725,662,618	-	-	-	725,662,618
Clearing house	-	29,716,224	-	-	-	29,716,224
Related companies	174,683,468	-	-	-	-	174,683,468
Receivables	1,465,561	-	-	-	-	1,465,561
Total Financial Assets	₱950,207,954	₱756,540,316	₱-	₱-	₱-	₱1,706,748,270
Financial Liabilities						
Due to:						
Customers	₱-	₱659,700,794	₱-	₱-	₱-	₱659,700,794
Clearing house	-	67,510,851	-	-	-	67,510,851
Related companies	13,373,621	-	-	-	-	13,373,621
Brokers	39,602	-	-	-	-	39,602
Accrued expenses and other liabilities*	47,444,739	-	-	-	-	47,444,739
Total Financial Liabilities	₱60,857,962	₱727,211,645	₱-	₱-	₱-	₱788,069,607

*Excludes lease liabilities, tax liabilities and accrued leave

	2022					Total
	On Demand	Up to 1 month	1 to 3 months	3 to 12 months	Beyond 1 year	
Financial Assets						
Cash on hand and in banks	₱507,809,733	₱26,305,803	₱-	₱-	₱-	₱534,115,536
Due from:						
Customers	-	855,601,693	-	-	-	855,601,693
Clearing house	-	86,170,564	-	-	-	86,170,564
Related companies	200,190,176	-	-	-	-	200,190,176
Brokers	-	-	-	-	-	-
Receivables	1,569,369	-	-	-	-	1,569,369
Total Financial Assets	₱709,569,278	₱968,078,060	₱-	₱-	₱-	₱1,677,647,338
Financial Liabilities						
Due to:						
Customers	₱-	₱679,446,846	₱-	₱-	₱-	₱679,446,846
Clearing house	-	103,331,942	-	-	-	103,331,942
Related companies	82,930	-	-	-	-	82,930
Brokers	39,602	-	-	-	-	39,602
Accrued expenses and other liabilities*	35,938,227	-	-	-	-	35,938,227
Total Financial Liabilities	₱36,060,759	₱782,778,788	₱-	₱-	₱-	₱818,839,547

*Excludes lease liabilities, tax liabilities and accrued leave

Offsetting of Financial Assets and Liabilities

The tables below present the details of recognized amounts due from and to customers, brokers and clearing house that are offset and presented at net amount in the statements of financial position, and the effect of other rights of offset but do not meet the offsetting criteria under PAS 32, *Financial Instruments: Presentation*:

	2023					
	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the PAS 32 offsetting criteria	Net amount presented in the statements of financial position	Effect of remaining right of offset that do not meet PAS 32 offsetting criteria		Net exposure
				Financial instruments	Financial collateral	
[a]	[b]	[c] = [a-b]	[d]	[e]	[e] = [c-d]	
Financial assets						
Due from:						
Customers	₱645,286,490	₱-	₱645,286,490	₱227,204,533	₱-	₱418,081,957
Clearing house	29,716,224	-	29,716,224	29,716,224	-	-
	₱675,002,714	₱-	₱675,002,714	₱256,920,757	₱-	₱418,081,957

(Forward)



2023						
	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the PAS 32 offsetting criteria	Net amount presented in the statements of financial position	Effect of remaining right of offset that do not meet PAS 32 offsetting criteria		Net exposure
				Financial instruments	Financial collateral	
	[a]	[b]	[c] = [a-b]	[d]		[e] = [c-d]
Due to:						
Customers	₱659,700,794	₱-	₱659,700,794	₱227,204,533	₱-	₱432,496,261
Clearing house	67,510,851	-	67,510,851	29,716,224	-	37,794,627
	₱727,211,645	₱-	₱727,211,645	₱256,920,757	₱-	₱470,290,888

2022						
	Gross carrying amounts (before offsetting)	Gross amounts offset in accordance with the PAS 32 offsetting criteria	Net amount presented in the statements of financial position	Effect of remaining right of offset that do not meet PAS 32 offsetting criteria		Net exposure
				Financial instruments	Financial collateral	
	[a]	[b]	[c] = [a-b]	[d]		[e] = [c-d]
Financial assets						
Due from:						
Customers	₱829,596,445	₱-	₱829,596,445	₱201,026,138	₱-	₱628,570,307
Clearing house	86,170,564	-	86,170,564	86,170,564	-	-
	₱915,767,009	₱-	₱915,767,009	₱287,196,702	₱-	₱628,570,307
Due to:						
Customers	₱679,446,846	₱-	₱679,446,846	₱201,026,138	₱-	₱478,420,708
Clearing house	103,331,942	-	103,331,942	86,170,564	-	17,161,378
	₱782,778,788	₱-	₱782,778,788	₱287,196,702	₱-	₱495,582,086

6. Cash on Hand and in Banks

This account consists of:

	2023	2022
Savings deposit	₱774,058,925	₱507,809,733
Dollar-denominated	-	25,535,075
	774,058,925	533,344,808
Cash on hand	20,161	33,270
	774,079,086	533,378,078
Less: Allowance for expected credit losses	(42,654)	(81,384)
	₱774,036,432	₱533,296,694

Savings deposits earn interest at the prevailing bank deposit rates. Short-term placements have maturities ranging from 31 to 32 days for both 2023 and 2022, with interest rates of 0.05% and ranging from 0.05% to 0.25% in 2023 and 2022, respectively. Interest earned on cash and cash equivalents amounted to ₱5.2 million and ₱2.7 million in 2023 and 2022, respectively.

In compliance with SRC Rule 49.2 covering customer protection and custody of securities, the Company maintains a special reserve bank account (included under “Cash in banks”) for trade-related settlement with its customers amounting to ₱637.8 million and ₱323.5 million as of December 31, 2023 and 2022, respectively. The Company’s reserve requirement is determined weekly based on the SEC’s prescribed computations.



An analysis of changes in the gross carrying amount and the corresponding ECL allowances is as follows:

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross carrying amount as at January 1, 2023	₱533,344,808	₱-	₱-	₱533,344,808
New assets originated or purchased	103,964,373	-	-	103,964,373
Assets derecognized or repaid (excluding write offs)	(344,635,836)	-	-	(344,635,836)
At December 31, 2023	₱292,673,345	₱-	₱-	₱292,673,247

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
ECL as at January 1, 2023	₱81,384	₱-	₱-	₱81,384
Changes to estimates used for ECL calculation	(38,730)	-	-	(38,730)
ECL as at December 31, 2023	₱42,654	₱-	₱-	₱42,654

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
Gross carrying amount as at January 1, 2022	₱851,684,908	₱-	₱-	₱851,684,908
New assets originated or purchased	62,191,429	-	-	62,191,429
Assets derecognized or repaid (excluding write offs)	(380,531,529)	-	-	(380,531,529)
At December 31, 2022	₱533,344,808	₱-	₱-	₱533,344,808

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
ECL as at January 1, 2022	₱136,180	₱-	₱-	₱136,180
Changes to estimates used for ECL calculation	(54,796)	-	-	(54,796)
ECL as at December 31, 2022	₱81,384	₱-	₱-	₱81,384

7. Due from Customers

This account consists of:

	2023			2022		
	Money	Security Valuation		Money	Security Valuation	
	Balance	Long	Short	Balance	Long	Short
Fully secured accounts:						
More than 250%	₱342,368,815	₱38,100,876,586	₱-	₱390,807,536	₱41,001,887,462	₱-
Between 200% and 250%	11,534,582	25,622,476	-	27,987,986	63,756,985	-
Between 150% and 200%	957,599	45,588,674	-	124,579,279	-	-
Between 100% and 150%	237,996,223	13,292,951	-	254,589,365	194,826,468	-
Partially secured accounts	121,793,295	23,937,473	-	57,577,675	54,793,728	-
Unsecured accounts	11,012,104	-	-	59,852	-	-
	725,662,618	38,209,318,160	-	855,601,693	41,315,264,643	-
Allowance for credit losses	(80,376,128)	-	-	(26,005,248)	-	-
	₱645,286,490	₱38,209,318,160	₱-	₱829,596,445	₱41,315,264,643	₱-

Securities owned by customers are held as collateral for amounts due from customers. Due from customers are generally settled three days after the transaction date. Starting August 24, 2023, effective settlement days is 2 days after date of transaction.

Fully secured accounts include margin accounts amounting to ₱240.7 million and ₱345.5 million as of December 31, 2023 and 2022, respectively. Interest earned on these margin accounts amounted to ₱31.7 million and ₱28.4 million in 2023 and 2022, respectively. Interest rates from margin accounts range from 7.00 % to 13.30% and 6.50% to 11.88% in 2023 and 2022, respectively.



Changes in the gross carrying amount of due from customers did not contribute to significant changes to ECL, except for those classified under stage 3. An analysis of changes in the gross carrying amount is, as follows:

	Current	Past due**	Total
Gross carrying amount as at January 1, 2023	₱333,583,020	₱522,018,673	₱855,601,693
New assets originated or purchased*	375,319,137	350,343,482	725,662,618
Assets derecognized or repaid (excluding write offs)	(333,583,020)	(522,018,673)	(855,601,693)
At December 31, 2023	₱375,319,137	₱350,343,482	₱725,662,618

	Current	Past due	Total
Gross carrying amount as at January 1, 2022	₱433,943,708	₱399,411,888	₱833,355,596
New assets originated or purchased	333,583,020	522,018,673	855,601,693
Assets derecognized or repaid (excluding write offs)	(433,943,708)	(399,411,888)	(833,355,596)
At December 31, 2022	₱333,583,020	₱522,018,673	₱855,601,693

*New assets originated or purchased under past due column includes those that turned past due during the year

**Impaired accounts amounting to ₱80.4 million were fully provided.

As of December 31, 2023 and 2022, the Company provided allowance for credit losses amounting to ₱80.4 million and ₱26.0 million, respectively, for cash and margin accounts past due by over 30 days.

	Current	Past due	Total
ECL as At January 1, 2023	₱-	26,005,248	26,005,248
Changes to estimates used for ECL calculation	-	54,370,880	54,370,880
ECL as at December 31, 2023	₱-	80,376,128	80,376,128

	Current	Past due	Total
ECL as At January 1, 2022	₱600,104	₱5,491,912	₱6,092,016
Changes to estimates used for ECL calculation	(600,104)	20,513,336	19,913,232
ECL as at December 31, 2022	₱-	₱26,005,248	₱26,005,248

8. Due from/to Clearing House

Due from clearing house pertains to the Company's receivable from the Securities Clearing Corporation of the Philippines which arises when total selling transactions (shares of stocks sold to customers, brokers, and proprietary accounts) exceed the total buying transactions within a trading day. Otherwise, due to clearing house is recognized. Due from/to clearing house is settled within three trading days after the dealing date T+2 (T+3 in 2022). In case of default by a clearing member, the SCCP will utilize the CTGF to settle the corresponding amount to the net receiving clearing members.

As of December 31, 2023 and 2022, due from clearing house amounted to ₱29.7 million and ₱86.2 million, respectively. As of December 31, 2023 and 2022, due to clearing house amounted to ₱67.5 million and ₱103.3 million, respectively. Changes in the gross carrying amount of due from clearing house did not contribute to significant changes to ECL.



9. Receivables

This account consists of:

	2023	2022
Advances to officers and employees (Note 26)	₱1,068,450	₱1,108,373
Accounts receivable	397,111	460,538
Accrued interest receivable	–	458
	₱1,465,561	₱1,569,369

Allowance for credit losses of the advances to officers and employees amounted to ₱1,562 and ₱3,408 as of December 31, 2023 and 2022, respectively.

10. Investment in an Associate

This account represents the Company's 23.26% investment in A.V. Ocampo - ATR Kim Eng Insurance Broker, Inc. (AVO), a company incorporated in the Philippines engaged in undertakings as agent, commercial broker, trader, adviser, processor, factor and underwriter for all kinds of insurance products.

The movements in investment in an associate are as follows:

	2023	2022
Cost		
Balance at beginning and at end of year	₱16,827,562	₱16,827,562
Accumulated equity in net earnings and other comprehensive loss		
Balance at beginning of the year	2,286,005	849,757
Share in net income of an associate	683,154	1,239,190
Share in other comprehensive income of an associate	16,128	197,058
	2,985,287	2,286,005
Balance at end of the year	19,812,849	19,113,567
Allowance for impairment losses		
Balance at beginning and end of year	(13,305,306)	(13,305,306)
Balance at end of the year	₱6,507,543	₱5,808,261

Share in net income of an associate is included under "Other revenues" in the statements of income.

The summarized financial information of the associate is as follows:

	2023	2022
Current assets	₱10,269,516	₱7,690,253
Non-current assets	36,091,573	32,995,366
Current liabilities	9,992,610	7,869,237
Non-current liabilities	874,680	328,955
Revenue	18,456,907	11,457,744
Income from continuing operations	2,709,366	4,303,289
Other comprehensive income (loss)	662,572	593,233
Total comprehensive income	3,371,939	4,896,521
Stockholder's equity	35,493,799	32,487,427



11. Property and Equipment

The composition of and movements in this account are as follows:

	Leasehold Improvements	Furniture, Fixtures and Office Equipment	Transportation Equipment	Right-of-Use Assets Premises	Right-of-Use Assets Data Center	Construction In-Progress	Total
Cost							
Balance at January 1, 2023	₱35,843,174	₱71,096,977	₱12,547,500	₱93,132,105	₱3,520,074	₱3,738,628	₱219,878,458
Additions	1,890,010	1,886,576	2,642,857	-	-	-	6,419,443
Disposals/Transfers	-	(401,988)	(3,936,786)	-	-	(3,738,628)	(8,077,402)
Balance at December 31, 2023	37,733,184	72,581,565	11,253,571	93,132,105	3,520,074	-	218,220,499
Accumulated Depreciation and Amortization							
Balance at January 1, 2023	19,454,062	65,279,316	9,721,495	48,935,055	2,312,585	-	145,702,513
Depreciation and amortization	4,400,074	2,157,597	1,916,178	10,399,305	603,745	-	19,476,899
Disposals	-	(39,989)	(3,280,534)	-	-	-	(3,320,523)
Balance at December 31, 2023	23,854,136	67,396,924	8,357,139	59,334,360	2,916,330	-	161,858,889
Net Book Value, December 31, 2023	₱13,879,048	₱5,184,641	₱2,896,432	₱33,797,745	₱603,744	₱-	₱56,361,610

	Leasehold Improvements	Furniture, Fixtures and Office Equipment	Transportation Equipment	Right-of-Use Assets Premises	Right-of-Use Assets Data Center	Construction In-Progress	Total
Cost							
Balance at January 1, 2022	₱20,926,084	₱68,755,403	₱12,547,500	₱41,135,578	₱1,708,840	₱1,500,000	₱146,573,405
Additions	15,436,339	3,194,131	-	51,996,527	1,811,234	2,238,628	74,676,859
Disposals/termination	(519,249)	(852,557)	-	-	-	-	(1,371,806)
Balance at December 31, 2022	35,843,174	71,096,977	12,547,500	93,132,105	3,520,074	3,738,628	219,878,458
Accumulated Depreciation and Amortization							
Balance at January 1, 2022	17,568,732	62,582,144	7,832,234	37,022,018	1,708,840	-	126,713,968
Depreciation and amortization	2,404,577	3,549,677	1,889,261	11,913,037	603,745	-	20,360,297
Disposals	(519,247)	(852,505)	-	-	-	-	(1,371,752)
Balance at December 31, 2022	19,454,062	65,279,316	9,721,495	48,935,055	2,312,585	-	145,702,513
Net Book Value, December 31, 2022	₱16,389,112	₱5,817,661	₱2,826,005	₱44,197,050	₱1,207,489	₱3,738,628	₱74,175,945

The cost of fully depreciated property and equipment still in use amounted to ₱81.93 million and ₱62.3 million as of December 31, 2023 and 2022, respectively.

12. Financial Assets at Fair Value through Profit or Loss and Exchange Trading Right

As of December 31, 2023 and 2022, the carrying amounts of the investment and exchange trading right are as follows:

	2023	2022
Financial assets at FVPL	₱-	₱261,600
Exchange trading right - at cost	1,000,000	1,000,000

The latest transacted price of the exchange trading right (as provided by the PSE) amounted to ₱8.0 million as of December 31, 2023 and 2022.

Equity Securities

Under the PSE rules, all exchange membership seats are pledged at its full value to the PSE to secure the payment of all debts to other members of the exchange arising out of or in connection with the present or future members' contracts. As of December 31, 2023 and 2022, the Company owns nil PSE shares.



As of December 31, 2023 and 2022, the Company holds financial asset at FVTPL of other listed entities amounting to nil and ₱0.3 million, respectively. This pertains to proprietary trading account brought about by dealing account position as of year-end.

13. Other Assets

Other Current Assets

This account consists of:

	2023	2022
Creditable withholding tax	₱3,192,802	₱3,336,414
Deposits	1,490,035	39,883
Value-added input tax	727,264	1,126,014
Creditable value-added tax	5,700	2,965,140
	₱5,415,801	₱7,467,451

Other Noncurrent Assets

This account consists of:

	2023	2022
Security deposit	₱4,582,269	₱3,175,995
Refundable deposit from CTGF	46,120,785	43,663,054
	₱50,703,054	₱46,839,049

The security deposit on the Company's leased are refundable at the end of the 60-month lease term.

In a circular dated July 25, 2018 issued by SCCP, the broker is entitled to a return of contribution to guaranty fund upon cessation of its business operations.

14. Due to Customers

This account consists of:

	2023			2022		
	Money Balance	Security Valuation		Money Balance	Security Valuation	
		Long	Short		Long	Short
With money balance	₱659,700,794	₱9,833,995,620	₱25,253,037	₱679,446,846	₱10,376,066,158	₱67,847,223
Without money balance	-	17,966,587,913	-	-	16,757,199,060	-
	₱659,700,794	₱27,800,583,533	₱25,253,037	₱679,446,846	₱27,133,265,218	₱67,847,223

Balances due to customers as of December 31, 2023 and 2022 were paid in January 2024 and 2023.



15. Accrued Expenses and Other Liabilities

This account consists of:

	2023	2022
Financial liabilities		
Leased liabilities (Note 17)	₱51,826,355	₱50,367,410
Accrued expenses	23,721,236	30,420,329
Accounts payable	6,991,757	1,865,392
Others	702,610	3,652,506
	83,241,958	86,305,637
Non-financial liabilities		
Accrued expenses	6,801,012	9,738,242
Other taxes payable	4,173,466	7,336,428
Output value-added tax payable	3,389,378	3,942,143
	14,363,856	21,016,813
	₱97,605,814	₱107,322,450
Current		
Financial liabilities	₱47,444,740	₱49,194,545
Non-financial liabilities	14,363,856	11,278,571
	61,808,596	60,473,116
Non-current		
Financial liabilities	-	37,111,092
Non-financial liabilities	35,797,218	9,738,242
	35,797,218	46,849,334
	₱97,605,814	₱107,322,450

Accrued expenses include accruals for:

	2023	2022
Salaries and other employee benefits	₱11,621,516	₱12,941,944
Stock exchange fees and dues	2,801,489	3,217,633
Management and other professional fees	32,000	44,000
Other accrued operating expenses	16,067,243	23,759,488
	₱30,522,248	₱39,963,066

Accounts payable includes amounts due to vendors for goods purchased and services rendered to the Company. These are all current and are normally settled within one year from the reporting date.

Financial liabilities others mainly consist of dividends payable to customers, SSS salary loan and Pag-ibig payable.

Other accrued operating expenses include accrual for repairs and maintenance, outsourced service fee, and renovation.



16. Loans Payable

As of December 31, 2023 and 2022, the Company has outstanding loan of nil and ₱50.0 million respectively, from HSBC Philippines, bearing annual interest of 5.414% matured last March 3, 2023, this loan was rolled over until November 2023, incurring a total of ₱2.2 million interest for year 2023. Accrued interest payable as of December 31, 2023 and December 31, 2023 amounted to nil and ₱0.2 million.

17. Leases

On April 8, 2022, the Company as lessee, entered into a lease agreement with Ayala Land, Inc. for a period of 60 months commencing on April 9, 2022 with an annual escalation of 5% and option to renew upon mutual agreement of the parties.

The future aggregate minimum lease payments under operating leases follow:

	2023	2022
Within one year	₱23,901,507	₱15,523,022
After one year but not more than five years	30,673,741	39,836,703
	₱54,575,248	₱55,359,725

The carrying amount of right-of-use assets recognized and the movements during the period are presented in Note 11.

The carrying amounts of lease liabilities and the movements during the period are as follows:

	2023	2022
As at January 1	₱50,367,410	₱1,210,813
Additions	-	53,807,761
Accretion of interest (Note 24)	2,243,422	1,064,392
Payments	(784,478)	(5,715,556)
As at December 31	₱51,826,354	₱50,367,410
Current lease liabilities	₱22,830,148	₱13,256,318
Noncurrent lease liabilities	28,996,206	37,111,092
As at December 31	₱51,826,354	₱50,367,410

18. Share Capital

As of December 31, 2023 and 2022, the details of the Company's share capital are as follows:

	Amount
Common - ₱100 par value	
Authorized, issued and outstanding, 4,000,000 shares	₱400,000,000

Retained Earnings

The Company has not declared any cash dividends for stockholders in 2023 and 2022.



19. Revenues

Commission income

Set out below is the disaggregation of the Company's commissions:

	2023	2022
Primary geographical markets		
Foreign	P238,069,402	P189,141,135
Local	129,305,662	154,963,973
	P367,375,064	P344,105,108

Interest

Interest income is earned from the following:

	2023	2022
Cash and cash equivalents (Note 6 and 26)	P5,199,806	P2,662,654
Customers	43,472,638	28,422,520
Others (Note 26)	5,723,401	1,117,334
	P54,395,845	P32,202,508

20. Compensation and Employee Benefits

This account consists of:

	2023	2022
Salaries and wages	P102,605,149	P102,345,728
Retirement benefit expense (Note 21)	7,434,671	7,779,775
Other employee benefits	9,393,124	6,235,692
	P119,432,944	P116,361,195

Total salaries and benefits recognized in profit or loss follow:

	2023	2022
Cost of services	P76,740,540	P75,916,813
Operating expenses	42,692,404	40,444,382
	P119,432,944	P116,361,195

The Company's employees are entitled to paid sick leaves (recognized as "Salaries and other employee benefits" amounting to P2.2 million and P3.0 million in 2023 and 2022) that can be carried forward and used in future periods until separation if the entitlement in the current period is not used in full. As of December 31, 2023 and 2022, the present value of the long-term accrued sick leaves of the Company amounted to P6.8 million and P9.7 million, respectively, and presented as "Other non-current liabilities" in the statements of financial position.



21. Pension Plan

The Company has a defined benefit type of pension plan (the Plan). The Plan provides for lump sum benefit payments to the plan member in the event of his retirement, disability or resignation, or to the member's beneficiaries in the event of his death, the amount of which is equal to 125% of the employee's previous year's average monthly basic salary for every year of continuous service with the Company. The Plan is funded through periodic company contributions to a trust fund which is managed by an in-house Board of Trustees. Such contributions are periodically determined by the actuary, based on updated employee data, financial statements of the retirement fund, and reasonable actuarial assumptions.

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

The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. The Board of Trustees designated a fund manager to manage its funds.

The Board of Trustees has the power and duty to do all things necessary to effect the intent and purpose of the Plan:

- promulgate rules and regulations to carry out the provisions of the Plan;
- determine eligibilities of employees to participate in the Plan;
- settle all questions involving interpretation of the provisions of the Plan and questions of entitlement to benefits;
- consider and approve investment policies and guidelines and approve all payments and disbursements from the Plan; and
- approve acquisitions and disposals of property investments of the Plan.

Each year, the Board of Trustees reviews the level of funding in the retirement plan. Such review includes the asset liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the result of its annual review. Generally, it aims to have a strategic asset mix comprising of:

- 60% - 90% government securities;
- 0% - 30% corporate bonds; and
- 10% - 40% equity securities

The pension expense recognized in profit or loss under "Compensation and employee benefits" consists of:

	2023	2022
Current service cost	₱5,258,497	₱5,984,660
Net interest cost	2,176,174	1,795,115
	₱7,434,671	₱7,779,775



The pension liability recognized consists of:

	2023	2022
Present value of defined benefit obligation	₱53,979,892	₱44,817,256
Fair value of plan assets	(10,465,733)	(11,027,126)
	₱43,514,159	₱33,790,130

The movements in the net pension liability follow:

	2023	2022
At January 1	₱33,790,130	₱35,060,845
Pension expense	7,434,671	7,779,775
Net actuarial loss (gains) recognized in OCI	2,289,358	(9,050,490)
	₱43,514,159	₱33,790,130

The movements in the present value of defined benefit obligation are summarized as follows:

	2023	2022
At January 1	₱44,817,256	₱47,223,687
Current service cost	5,258,497	5,984,660
Interest cost	3,319,588	2,323,272
Benefits paid	(630,558)	(617,551)
Remeasurement losses (gains) recognized in OCI:		
Due to experience adjustments	(3,492,653)	(586,588)
Due to financial assumptions	4,707,762	(9,510,224)
	1,215,109	(10,096,812)
At December 31	₱53,979,892	₱44,817,256

The movements in the fair value of plan assets are as follows:

	2023	2022
At January 1	₱11,027,126	₱12,162,842
Interest income	1,143,414	528,157
Losses from plan assets (excluding interest income) recognized in OCI	(1,074,249)	(1,046,322)
Benefits paid	(630,558)	(617,551)
At December 31	₱10,465,733	₱11,027,126

The fair value of plan assets by each class are as follows:

	2023	2022
Unit investment trust funds	₱9,874,873	₱9,208,474
Cash and cash equivalents	623,181	-
Corporate debt securities	-	1,901,349
	10,498,054	11,109,823
Payables and taxes	(32,321)	(82,697)
	₱10,465,733	₱11,027,126



The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the Plan. The funding of the Plan is based on a separate actuarial valuation for funding purpose for which the assumptions may differ from the assumptions above. Employees are not required to contribute to the Plan. The Company expects to contribute ₱11.26 million to the plan assets in 2024.

The movements in remeasurement losses on defined obligation recognized in OCI are as follows:

	2023	2022
At January 1, gross of tax	(₱71,037,233)	(₱80,087,723)
Remeasurement gains on obligation	(1,517,617)	10,096,812
Remeasurement losses on plan assets	(670,905)	(1,046,322)
At December 31, gross of tax	(73,225,755)	(71,037,233)
Income tax effect	18,230,812	17,759,309
	(₱54,994,943)	(₱53,277,924)

The defined benefit plans expose the Company to actuarial risk, such as longevity risk, interest rate risk and investment risk.

The cost of defined benefit pension plan and the present value of the defined benefit obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. The principal assumptions used to determine pension benefits of the Company as of December 31, 2023 and 2022 are as follows:

	2023	2022
Discount rate	6.34%	7.71%
Salary increase rate	5.00%	5.00%

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

	December 31, 2023	
	Possible fluctuations	Increase (decrease)
Discount rate	+1.00%	(₱3,494,426)
	-1.00%	3,922,614
Future salary increase	+1.00%	₱4,194,338
	-1.00%	(3,794,628)
	December 31, 2022	
	Possible fluctuations	Increase (decrease)
Discount rate	1.0%	(₱2,970,861)
	-1.0%	3,329,195
Future salary increase	1.0%	₱3,606,204
	-1.0%	(3,262,858)



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

	2023	2022
Less than one year	₱6,473,934	₱3,523,285
More than 1 year up to 5 years	19,846,551	20,009,128
More than 5 years up to 10 years	59,222,910	65,070,701
More than 10 years up to 15 years	36,631,506	37,215,149
More than 15 years up to 20 years	34,516,806	19,291,797
More than 20 years	23,281,487	53,910,199

The weighted average duration of the defined benefit obligation as of December 31, 2023 and 2022 is 8.72 years and 9.14 years, respectively.

22. Referral fee

The Company incurred referral fees of ₱49.9 million and ₱41.6 million in 2023 and 2022, respectively. This pertains to referral fees paid to related party located abroad through omnibus account to participate in Philippine market.

23. Financial information services

This pertains to the Company's subscription to Fidessa Trading platform and the regional cost allocation of Fidessa expense charged by a foreign related party amounting to ₱35.4 million and ₱22.2 million in 2023 and 2022, respectively.

24. Other Operating Expenses

This account consists of:

	2023	2022
Interest expense in lease liabilities	₱2,243,422	₱1,064,392
Securities, messengerial and janitorial	822,065	1,118,814
Penalties and charges	244,456	593,591
Insurance	170,608	138,321
Others	7,670,829	5,357,598
	₱11,151,380	₱8,272,716

25. Income Taxes

Income tax expense consists of:

	2023	2022
Current	₱35,830,520	₱30,734,195
Deferred	(15,526,660)	(4,140,975)
Final	1,039,696	531,705
	₱21,343,556	₱27,124,925



RA No. 9504, An Act Amending National Internal Revenue Code, provides that, the optional standard deduction (OSD) equivalent to 40.0% of gross income may be claimed as an alternative deduction in computing for the RCIT. In 2023 and 2022, the Company elected to claim itemized expense deductions.

Current tax regulations also provide for the ceiling on the amount of EAR expense that can be claimed as a deduction against taxable income. Under the regulation, EAR expense allowed as a deductible expense for a service company like the Parent Company and most of its subsidiaries is limited to the actual EAR paid or incurred but not to exceed 1.0% of net revenue. EAR expenses of the Company amounted to ₱3.7 million and ₱3.4 million in 2023 and 2022, respectively.

Income taxes include corporate income tax of 25% of taxable income. Final tax represents final withholding tax on gross interest income from deposit substitutes, paid at the rate of 20.0% for peso-denominated instruments and at 15% for foreign currency-denominated instruments. Allowable interest expense shall be reduced by an amount equivalent to 20% of interest income subjected to final tax.

On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the Minimum Corporate Income Tax (MCIT) rate to 2% of gross income effective July 1, 2023 pursuant to Republic Act (RA) No. 11534, otherwise known as the “Corporate Recovery and Tax Incentives for Enterprises (CREATE)” Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021.

The components of net deferred tax assets are as follows:

	2023	2022
Deferred tax assets:		
Allowance for credit and other impairment losses	20,105,086	6,522,510
Pension liability	10,878,540	8,447,532
Accrued Other Expenses	6,237,296	8,963,077
ROU asset net of Lease Liability	4,356,217	1,240,718
Unamortized past service costs	1,925,401	2,854,579
Accrued bonus	1,205,126	800,926
Unrealized foreign exchange loss	64,028	-
Deferred tax liabilities:		
Unrealized foreign exchange gain	-	(156,647)
	₱44,771,694	₱28,672,695

The movements of deferred tax assets are summarized as follows:

	2023	2022
At January 1	₱28,672,695	₱26,794,343
Provision for deferred income tax recognized in profit or loss	15,526,660	4,140,975
Benefit from (Provision for) deferred income tax recognized in OCI (Note 18)	572,339	(2,262,623)
	₱44,771,694	₱28,672,695



Reconciliation between the statutory income tax and the actual income tax expense follows:

	2023	2022
Statutory income tax	₱21,069,588	₱26,038,963
Tax effects of:		
Unrecognizable deferred tax asset related to leases	(2,410,487)	(1,240,718)
Interest income subject to final tax	(260,255)	(133,960)
Other nondeductible expenses	3,115,498	2,753,846
Nontaxable income and tax-exempt income	(170,788)	(293,206)
	₱21,343,556	₱27,124,925

26. Related Party Transactions

Related party relationship exists when one party has the ability to control, directly or indirectly, through one or more intermediaries or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists 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 stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

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

Category	Outstanding balance		Terms and Conditions
	2023	2022	
Parent Company			
Due from related companies	₱155,283,830	₱191,173,665	Pertains to costs and expenses allocated to its parent company in relation to shared administrative and marketing expenses; due upon demand; non-interest bearing and are unsecured with no impairment
Advances	48,332,939	68,742,512	
Settlements	(34,222,833)	(121,698,269)	
Loan grants	-	100,000,000	
Loan collection	(50,000,000)	-	
Interest income	5,649,211	1,038,169	
Selling transactions	59	50	
Due to related companies	1,806,131	5,939,086	
Advances	60,965,325	-	
Settlements	(65,098,279)	(80,550,280)	
Subsidiaries of Ultimate Parent Company			
Due from related companies	18,260,249	1,455,223	Due upon demand; non-interest bearing and are unsecured with no impairment
Advances	84,109,433	943,418,063	
Settlements	(67,304,232)	(952,785,129)	
Due to related companies	11,567,491	(5,856,156)	Unsecured deposits in a local bank; deposits earn interest at the prevailing bank deposit rates in 2023 and 2022
Advances	445,590,385	395,398,087	
Settlements	(428,166,563)	(391,475,629)	
Savings deposits	644,818,327	407,822,033	Short-term placements have maturities ranging from 31 to 32 days and 31 to 32 days in 2023 and 2022, respectively, with interest rates of 0.05% and ranging from 0.05% to 0.25% in 2023 and 2022, respectively.
Short-term placements	-	25,535,036 25,535,075	
Due from customers	275,599,617	130,191,126	Pertains to buying trade transactions to be settled at trade date + 3; non-interest bearing and are secured with the value of securities traded; no impairment
Buying transactions			



Category	Outstanding balance		Terms and Conditions
	2023	2022	
Due to customers	₱200,073,740	₱204,051,186	Pertains to buying trade transactions to be settled at trade date + 3; non-interest bearing and are secured with the value of securities
Selling transactions			
Commission income	255,993,887	225,799,797	Fees for the trading of securities
Interest income	5,140,297	2,564,602	Interest from short-term placements and savings deposits
Research fees	15,816,731	16,791,330	Regional research income for various research activities performed by the Company
Research and marketing	1,608,383	1,862,147	Monthly fees paid by the Company to an affiliated company for research services performed;
Information Services	18,528,960	11,059,397	Monthly reimbursement of Fidessa expenses
Repairs and maintenance- computer software	6,955,009	12,128,377	IT Support and outsourcing service for the data server abroad
Referral fee	49,878,035	41,622,747	Commission fee for referred transactions.
Staff insurance	1,334,063	-	Life and Accident Insurance and Comprehensive insurance for Crime and professional indemnity
Associates of the Parent Company			
Due from related companies	-	5,282,507	Due upon demand; non-interest bearing and are unsecured with no impairment
Advances	1,579,597	1,355,137	
Settlements	(6,862,103)	(1,355,137)	

The compensation of key management personnel for the year is as follows:

	2023	2022
Salaries and other short-term benefits	₱81,277,508	₱56,871,727
Social security costs	345,600	302,880
Fringe benefit tax	235,720	157,814
	₱81,858,828	₱57,332,421

Key management personnel are defined as those with position of Vice President and up. There are no loans granted to key management personnel in 2023 and 2022.

Certain common expenses amounting to ₱2.9 million and ₱13.6 million are shared between the Company and Maybank Capital, Inc. in 2023 and 2022, respectively. Common expenses in 2023 and 2022 are lodged in the following accounts:

	2023	2022
Compensation and employee benefits	₱11,039,715	₱9,665,480
Repairs and maintenance	3,334,160	3,204,396
Other operating expenses	2,905,570	704,430
	₱17,279,445	₱13,574,306

The Company grants short-term cash advances that are due upon demand to its officers and employees. As of December 31, 2023 and 2022, advances to officers and employees amounted to ₱0.8 million and ₱1.1 million, respectively.

The Company incurred referral fees of ₱49.9 million and ₱41.6 million in 2023 and 2022, respectively. The referral fees are paid to a foreign company related party that endorsed clients to the Company through an omnibus account.

27. Commitment and Contingencies

As of December 31, 2023 and 2022, the Company has outstanding margin credit line commitment to customers with margin accounts amounting to ₱430.4 million and ₱306.4 million, respectively.



28. Capital Management

The Company's capital management is guided by the Maybank Group's Capital Management Framework which considers various dimensions, including multiple definitions (regulatory and internal), measurements (regulatory and internal) and level (group, solo and business units).

Maybank Group manages its capital position to maximize shareholders' value by optimizing the level and mix of capital resources as well as maintaining a strong and flexible financial position, which enables it to manage through economic cycles, take advantage of growth and strategic opportunities, maintain ready access to financial markets and remain a source of financial strength.

The primary objectives of the Company's capital management are to ensure compliance with the externally imposed capital requirements and maintain sufficient cash in banks to meet its daily settlement requirements.

The Company actively manages its capital to cover risk inherent in its business. In order to maintain or adjust the capital structure, the Company may adjust dividend payments to shareholders, return capital to shareholders, issue new shares, or obtain loans from its shareholders. The adequacy of the Company's capital is monitored using among other measures, the rules and ratios established by the SEC for stockbrokers and dealers. No changes were made in the objectives, policies and processes during the years ended December 31, 2023 and 2022.

The Company enters into margin credit line agreements with its customers. As of December 31, 2023 and December 31, 2022, the margin line granted to customers with margin accounts amounted to ₱699.7 million and ₱651.9 million, respectively.

Regulatory Qualifying Capital

The Amended Implementing Rules and Regulations of SRC effective February 28, 2004 include, among others, revisions in the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows: (a) to allow a net capital of ₱2.5 million or 2.5% of aggregate indebtedness, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities, (b) to allow the SEC to set a different net capital requirement for those authorized to use the RBCA model, and (c) to require unimpaired paid-up capital of ₱100.0 million for broker dealers, which are either first time registrants or those acquiring existing broker dealer firms and will participate in a registered clearing agency; ₱10.0 million plus a surety bond for existing broker dealers not engaged in market making transactions.

SEC Memorandum Circular No. 16 dated November 11, 2004 provides the guidelines on the adoption in the Philippines of the RBCA Framework for all registered broker dealers in accordance with SRC. These guidelines cover the following risks: (a) position or market risk, (b) credit risks such as counterparty, settlement, large exposure, and margin financing risks, and (c) operational risk.

RBCA ratio of a broker dealer, computed by dividing the Net Liquid Capital (NLC) by the Total Risk Capital Requirement (TRCR), should not be less than 110.0%. NLC and TRCR are computed based on the existing provision of SRC. NLC consist of total equity adjusted for allowance for market decline, subordinated liabilities, deferred tax assets, revaluation reserves, deposits for future stock subscription with no SEC application, minority interest, if any, contingencies and guarantees, and the total ineligible assets. Also, the Aggregate Indebtedness (AI) of every stockbroker should not exceed 2,000% of its NLC and at all times shall have and maintain NLC of at least ₱5.0 million or 5% of the AI, whichever is higher. If the minimum RBCA Ratio of 110.0% or the minimum NLC is breached, such broker dealer shall immediately cease doing business as broker dealer.



Limitations on Withdrawal of Core Equity

No equity capital of a broker dealer may be withdrawn by action of a stockholder or a partner or by redemption or repurchase of shares of stock or through the payment of dividends or any similar distribution, nor may any unsecured advance or loan be made to a stockholder, partner, sole proprietor, employee or affiliate, if after giving effect thereto and to any other such withdrawals, advances or loans and any payments under satisfactory subordination agreements in conformity with SRC Rule 49.1 which are scheduled to occur within 180 days following such withdrawal, advance or loan:

- a. The broker dealer's NLC would be less than 120% or the minimum amount which is at least ₱5 million or 5% of its AI whichever is higher; or
- b. The AI of the broker dealer exceeds 1,500% of its net capital.

Any transaction between a broker dealer and a stockholder, partner, sole proprietor, employee or affiliate that results in a diminution of the broker dealer's net capital shall be deemed to be an advance or loan of net capital.

The RBCA ratio of the Company as reported to the SEC as of December 31, 2023 and 2022 are shown in the table below.

	2023	2022
Equity eligible for NLC	₱910,207,112	₱863,371,317
Less ineligible assets	298,214,806	340,852,727
NLC	₱611,992,306	₱522,518,590

	2023	2022
Operational risk	₱81,558,582	₱89,000,519
Position risk	10,973	7,969,082
Counterparty risk	-	12,433
TRCR	₱81,569,555	₱96,982,034
AI	₱634,250,705	₱983,000,689

	2023	2022
5% of AI	₱31,712,535	₱49,150,034
Required NLC	31,712,535	49,150,034
Net Risk-based Capital Excess	580,279,771	473,368,556
Ratio of AI to NLC	104%	188%
RBCA ratio	750%	539%

As of December 31, 2023 and 2022, the Company is in compliance with the required RBCA ratio.

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

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

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



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

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

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

Appropriated Retained Earnings

In addition, SRC Rule 49.1 (B), "*Reserve Fund*," requires that every broker dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to Appropriated Retained Earnings. Minimum appropriation shall be 30%, 20% and 10% of profit after tax for broker dealers with unimpaired paid up capital between ₱10.0 million to ₱30.0 million, between ₱30.0 million to ₱50.0 million and more than ₱50.0 million, respectively.

29. Events After the Reporting Period

On February 15, 2024, the BOD approved the appropriation of retained earnings amounting to ₱6.3 million out of the unappropriated retained earnings of the Company as of December 31, 2023 to comply with SRC Rule 49.1 (B) as discussed in Note 28.

30. Supplementary Information Required Under Revenue Regulations 15-2010

In addition to the disclosures mandated under Philippine Financial Reporting Standards, and such other standards and/or conventions as may be adopted, companies are required by the Bureau of Internal Revenue (BIR) to provide in the notes to the financial statements, certain supplementary information for the taxable year. The amounts relating to such information may not necessarily be the same with those amounts disclosed in the financial statements which were prepared in accordance with PFRS. The following is the tax information required for the taxable year ended December 31, 2023:



Value Added Tax (VAT)

	Tax Base	Amount
Output VAT on vatable sales	₱426,808,499	₱51,217,020
Zero-rated sales	15,816,731	-
Input VAT		
Beginning of the year	₱9,383,453	₱1,126,014
Current year's domestic purchases:		
a.) Capital goods subject to amortization	-	-
b.) Capital goods not subject to amortization	7,429,609	891,553
c.) Services lodged under other accounts	51,054,234	6,126,508
d.) Goods other than for resale or manufacture	2,742,388	329,087
	₱61,226,231	7,347,148
Claims for tax credit/refund and other adjustments		7,745,898
Balance at the end of the year		₱727,264

Withholding Taxes

	Total Amount Remitted	Balance as of December 31
Tax on compensation and benefits	₱23,507,950	₱1,316,476
Expanded withholding taxes	3,310,005	93,444
Final withholding taxes	2,451,747	55
	₱29,269,702	₱1,409,975

All Other Taxes (Local and National)

License and permit fees (included in "Taxes and licenses")	₱985,979
Fringe benefits tax (included in "Compensation and employee benefits")	235,720
	₱1,221,699



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INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Maybank Securities, Inc.
17th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

We have audited the accompanying financial statements of Maybank Securities, Inc. (formerly Maybank ATR Kim Eng Securities, Inc.) (the Company) as at December 31, 2023 and for the year ended, on which we have rendered the attached report dated April 3, 2024.

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

SYCIP GORRES VELAYO & CO.



Ray Francis C. Balagtas

Partner

CPA Certificate No. 108795

Tax Identification No. 216-950-288

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

BIR Accreditation No. 08-001998-107-2023, September 12, 2023, valid until September 11, 2026

PTR No. 10079900, January 5, 2024, Makati City

April 3, 2024



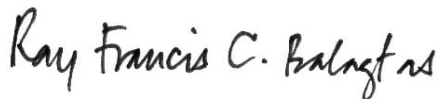
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**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY SCHEDULES**

The Board of Directors and Stockholders
Maybank Securities, Inc.
17th Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Maybank Securities, Inc. (formerly Maybank ATR Kim Eng Securities, Inc.) (the Company) as at December 31, 2023 and 2022, and have issued our report thereon dated April 3, 2024. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code (SRC) Rule 68 and SRC Rule 52.1, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Ray Francis C. Balagtas
Partner

CPA Certificate No. 108795

Tax Identification No. 216-950-288

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April 3, 2024



MAYBANK SECURITIES, INC.

INDEX TO THE SUPPLEMENTARY SCHEDULES

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

ANNEX A.1

MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital Inc.))
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND
DECLARATION
DECEMBER 31, 2023

	AMOUNT
Unappropriated Retained Earnings, beginning of reporting period (see Footnote 1)	₱307,157,329
Add: <u>Category A:</u> Items that are directly credited to Unappropriated Retained Earnings	
Reversal of Retained Earnings Appropriation/s	-
Effect of Restatement or prior period adjustment	-
Others (describe the nature)	-
	-
Less: <u>Category B:</u> Items that are directly debited to Unappropriated Retained Earnings	
Dividend declaration during the reporting period	-
Retained Earnings appropriated during the reporting period	6,293,479
Effect of Restatement or prior period adjustment	-
Others (Deferred tax asset)	28,672,695
	34,966,175
Unappropriated Retained Earnings, as Adjusted	272,191,154
Add/less: Net income/(loss) for the current year	62,934,794
Less: <u>Category C.1:</u> Unrealized income recognized in the profit or loss during the reporting period (net of tax)	
Equity in	
of associate/joint venture, net of dividends declared	-
Unrealized foreign exchanges gain, except those attributable to cash and cash Equivalents	683,154
Unrealized fair value adjustment (mark-to-market gains) of financial instrument at Fair Value through profit or loss (FVTPL)	-
Unrealized fair value gains of Investment Property	-
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions account under PFRS (describe the nature)	-
Sub-total	683,154
	-
Add: <u>Category C.2:</u> Unrealized income recognized in the profit or loss in prior reporting period but realized in the current reporting period (net of tax)	
Realized foreign exchanges gain, except those attributable to cash and cash equivalents	-
Realized fair value adjustment (mark-to-market gains) of financial instrument at Fair Value through profit or loss (FVTPL)	-
Realized fair value gains of Investment Property	-
Other realized gains or adjustments to the retained earnings as a result of certain transactions account under PFRS (describe the nature)	-
Add: <u>Category C.3:</u> Unrealized income recognized in the profit or loss in prior periods but reversed in the current reporting period (net of tax)	
Reversal of previously foreign exchanges gain, except those attributable to cash and cash equivalents	-
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at Fair Value through profit or loss (FVTPL)	-
Reversal of previously recorded fair value gains of Investment Property	-
Reversal of Other unrealized gains or adjustments to the retained earnings as a result of certain transactions account under PFRS (describe the nature)	-
Sub-total	-
	-

	AMOUNT
Adjusted Net income/(loss)	62,251,640
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: Category E: Adjustments related to relief granted by the SEC and BSP (see footnote 2)	
Amortization of the effect of reporting relief	-
Total amount of reporting relief granted during the year	-
Others (describe nature)	-
Sub-total	-
Add: Category F: Other items that should be excluded from determination of the amount of 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 previous categories	11,481,670
Net movement of 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	4,617,330
Adjustment due to deviation of PFRS/GAAP-gain(loss)	
Others (describe nature)	-
Sub-total	16,099,000
Total Retained Earnings, end of the reporting period available for dividend	₱350,541,795

FOOTNOTES:

- (1) Ending balance as of reported in the “Reconciliation of Retained Earnings available for Dividend Declaration” of the immediately preceding period.

SRC 49.1 (mandated 10% appropriation of Net Income for the year)

- (2) Accounting Relief (i.e., losses that are reported on a staggered basis) granted by regulators. However, these actual losses sustained by the company and must be adjusted in the reconciliation to reflect the actual distributable amount.

MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital Inc.))
STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
DECEMBER 31, 2023

There are no liabilities subordinated to claims of general creditors.

ANNEX A.3

MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital Inc.))
COMPUTATION OF RISK-BASED CAPITAL ADEQUACY REQUIREMENT
PURSUANT TO SEC MEMORANDUM CIRCULAR NO. 16
DECEMBER 31, 2023

Assets	₱1,534,544,314
Liabilities	634,250,705
Equity as per books	900,293,609
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in propriety accounts	
Deferred Income Tax	(44,771,696)
Revaluation Reserves	54,685,199
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to Equity per books	9,913,503
Equity Eligible For Net Liquid Capital	910,207,112
Contingencies and Guarantees	
Deduct: <u>Contingent Liability</u>	
<u>Guarantees or indemnities</u>	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	1,000,000
b. Intercompany Receivables	173,544,079
c. Fixed Assets, net of accumulated and excluding those used as collateral	56,361,610
d. Prepayment from Client for Early Settlement of Account	
e. All Other Current Assets	3,940,343
f. Securities Not Readily Marketable	
g. Negative Exposure (SCCP)	560,576
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	62,808,198
Total ineligible assets	298,214,806

Net Liquid Capital (NLC)	611,992,306
Less:	
Operating Risk Requirement	81,558,582
Position Risk Requirement	10,973
Counterparty Risk	
Large Exposure Risk	
LERR to a single client	
LERR to a single debt	
LERR to a single issuer and group of companies	
Total Risk Capital Requirement (TRCR)	81,569,554
Net RBCA Margin (NLC-TRCR)	530,422,752
Liabilities	634,250,705
Add: Deposit for Future Stock Subscription (No application with SEC)	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	
Loans and secured securities	
Loans secured by fixed assets	
Others	
Total adjustments to AI	
Aggregate Indebtedness	634,250,705
5% of Aggregate Indebtedness	31,712,535
Required Net Liquid Capital (\geq of 5% of AI or 5M)	31,712,535
Net Risk-based Capital Excess / (Deficiency)	580,279,771
Ratio of AI to Net Liquid Capital	104%
RBCA Ratio (NLC/TRCR)	750%

MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital Inc.))
INFORMATION RELATING TO THE POSSESSION OR
CONTROL REQUIREMENTS UNDER SRC RULE 49.2 – ANNEX 49.2-A
DECEMBER 31, 2023

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

Market Valuation	<u>NIL</u>
Number of Items	<u>NIL</u>

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

Market Valuation	<u>NIL</u>
Number of Items	<u>NIL</u>

ANNEX A.5

MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital Inc.))
COMPUTATION FOR DETERMINATION OF
RESERVE REQUIREMENTS UNDER SRC RULE 49.2 – 49.2-B
DECEMBER 31, 2023

Particulars	Credits	Debits
1. Free credit balance and other credit balance in customers' security accounts.	₱470,330,489	
2. Monies borrowed collateralized by securities carried for the account of customers.	-	
3. Monies payable against customers' securities loaned.	-	
4. Customers' securities failed to receive.	-	
5. Credit balances in firm accounts which are attributable to principal sales to customer.	-	
6. Market value of stock dividends stock splits and similar distributions receivable outstanding of 30 calendar days old.	-	
7. Market value of the short security count differences over 30 calendar days old.	-	
8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days.	-	
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.	-	
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		₱ 431,821,806
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to delivery.		
12. Failed to deliver customers' securities not older than 30 calendar days.		
13. Others.		
Total	₱ 470,330,489	₱ 431,821,806
Net Credit (Debit)	₱38,508,682	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	₱ 38,508,682	

MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital Inc.))
A REPORT DESCRIBING ANY MATERIAL INADEQUACIES FOUND
TO EXIST OR FOUND TO HAVE EXISTED
SINCE THE DATE OF THE PREVIOUS AUDIT
DECEMBER 31, 2023

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

ANNEX A.7

MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc.
(formerly known as Maybank Kim Eng Capital Inc.))
RESULTS OF MONTHLY SECURITIES COUNT
CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS OF
DECEMBER 31, 2023

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

MAYBANK SECURITIES, INC.
SCHEDULE SHOWING FINANCIAL SOUNDNESS INDICATORS IN TWO COMPARATIVE
PERIODS UNDER SRC RULE 68, AS AMENDED
AS OF DECEMBER 31, 2023 AND 2022

	2023	2022
Current ratio	201.03%	184.58%
Solvency ratio	9.25%	9.91%
Debt-to-equity ratio	98.99%	117.16%
Asset-to-equity ratio	198.99%	217.16%
Interest rate coverage ratio	3974.28%	53,375.01%
Return on average asset ratio	3.48%	4.04%
Return on average equity ratio	7.24%	9.66%

MAYBANK SECURITIES, INC.
(A Wholly Owned Subsidiary of Maybank Capital, Inc. (formerly known as Maybank Kim Eng Capital Inc.))
RESULTS OF SECURITIES COUNT CONDUCTED
PURSUANT TO SRC RULE 52.1-10, AS AMENDED
DECEMBER 31, 2023

CODE	ISSUE	PER RECORD									PER COUNT		
		NUMBER OF SHARES				MARKET VALUE	VALUATION	CLEARING HOUSE	MARKET VALUE	VALUATION	NUMBER OF SHARES	MARKET VALUE	VALUATION
		IN BOX	IN TRANSIT	PCD	TOTAL								
2GO	2GO GROUP INC.	-	-	39,229	39,229	13	509,977	-	13	-	39,229	13	509,977
8990B	8990 HOLDINGS INC. SERIES B PE	-	-	50,890	50,890	95	4,834,550	-	95	-	50,890	95	4,834,550
AAA	ASIA AMALGATED HOLDINGS CORP.	-	-	464,000	464,000	2	700,640	-	2	-	464,000	2	700,640
AB	ATOK-BIG WEDGE CO.INC.	-	-	2,879,506	2,879,506	5	15,318,972	-	5	-	2,879,506	5	15,318,972
ABA	ABACORE CAPITAL HOLDINGS INC.	-	-	79,901,997	79,901,997	1	67,916,697	-	1	-	79,901,997	1	67,916,697
ABG	ASIABEST GROUP INTERNATIONAL I	-	-	337,439	337,439	3	1,015,691	-	3	-	337,439	3	1,015,691
ABS	ABS-CBN CORPORATION	-	-	1,096,197	1,096,197	5	5,064,430	-	5	-	1,096,197	5	5,064,430
ABSP	ABS-CBN PDR	-	-	422,560	422,560	5	1,943,776	-	5	-	422,560	5	1,943,776
ABSPNT	ABS-CBN CORP. PREFERRED NON-TR	182,083	-	-	182,083	-	-	-	-	-	182,083	-	-
AC	AYALA CORPORATION	-	-	310,098	310,098	681	211,176,738	19,424	681	13,227,744	329,522	681	224,404,482
ACE	ACESITE (PHILS.) HOTEL CORPORA	-	-	100,304	100,304	2	172,523	-	2	-	100,304	2	172,523
ACEN	ACEN CORPORATION	1,000	-	55,689,336	55,690,336	4	243,923,672	419,000	4	1,835,220	56,109,336	4	245,758,892
ACENA	ACEN CORPORATION SERIES A PREF	-	-	114,200	114,200	1,050	119,910,000	-	1,050	-	114,200	1,050	119,910,000
ACENB	ACEN CORPORATION SERIES B PREF	-	-	97,150	97,150	1,080	104,922,000	-	1,080	-	97,150	1,080	104,922,000
ACPAR	AYALA CORP. SERIES A PREF SHAR	-	-	45,100	45,100	2,508	113,110,800	-	2,508	-	45,100	2,508	113,110,800
ACR	ALSONS CONS. RESOURCES INC.	-	-	20,120,000	20,120,000	1	10,864,800	-	1	-	20,120,000	1	10,864,800
ACRMCNT	ACR MINING CORPORATION NON TRA	107,375	-	-	107,375	-	-	-	-	-	107,375	-	-
ACVPNT	AYALA CORP. VOTING PREF. NON-T	22,785	-	-	22,785	-	-	-	-	-	22,785	-	-
AEV	ABOITIZ EQUITY VENTURES INC.	-	-	17,564,732	17,564,732	45	783,387,047	164,130	45	7,320,198	17,728,862	45	790,707,245
AGI	ALLIANCE GLOBAL GROUP INC.	-	-	6,878,880	6,878,880	11	77,593,766	170,600	11	1,924,368	7,049,480	11	79,518,134

CODE	ISSUE	PER RECORD									PER COUNT		
		NUMBER OF SHARES				MARKET VALUE	VALUATION	CLEARING HOUSE	MARKET VALUE	VALUATION	NUMBER OF SHARES	MARKET VALUE	VALUATION
		IN BOX	IN TRANSIT	PCD	TOTAL								
ALCO	ARTHALAND CORPORATION	-	-	8,062,749	8,062,749	0	3,346,041	-	0	-	8,062,749	0	3,346,041
ALCPD	ARTHALAND CORP SERIES D PREF S	-	-	12,000	12,000	500	6,000,000	-	500	-	12,000	500	6,000,000
ALHI	ANCHOR LAND HOLDINGS INC.	-	-	15,000	15,000	4	60,150	-	4	-	15,000	4	60,150
ALHIPNT	ANCHOR LAND HOLDINGS INC. PREF	5,000	-	-	5,000	-	-	-	-	-	5,000	-	-
ALI	AYALA LAND INC.	20	-	20,051,911	20,051,931	34	690,789,023	(2,105,684)	34	(72,540,814)	17,946,247	34	618,248,209
ALIVPNT	AYALA LAND INC. VOTING PREF. N	201,515	-	-	201,515	-	-	-	-	-	201,515	-	-
ALLDY	ALLDAY MARTS INC.	-	-	132,446,991	132,446,991	0	20,794,178	-	0	-	132,446,991	0	20,794,178
ALLHC	AYALALAND LOGISTICS HOLDINGS C	100,000	-	7,486,628	7,586,628	2	13,428,332	-	2	-	7,586,628	2	13,428,332
ALPHA	ALPHALAND CORPORATION	-	-	63,000	63,000	20	1,260,000	-	20	-	63,000	20	1,260,000
ALTER	ALTERNERGY HOLDINGS CORPORATIO	-	-	2,633,000	2,633,000	1	2,027,410	10,000	1	7,700	2,643,000	1	2,035,110
ANI	AGRINURTURE INC.	-	-	65,570,106	65,570,106	1	49,177,580	1,540,000	1	1,155,000	67,110,106	1	50,332,580
ANS	A. SORIANO CORPORATION	250	-	2,920,432	2,920,682	12	34,055,152	-	12	-	2,920,682	12	34,055,152
AP	ABOITIZ POWER CORPORATION	-	-	23,911,881	23,911,881	38	903,869,102	(10,500)	38	(396,900)	23,901,381	38	903,472,202
APB2R	AYALA CORP RE-ISSUED CLASS B S	-	-	165,750	165,750	485	80,421,900	-	485	-	165,750	485	80,421,900
APC	APC GROUP INC	-	-	38,788,972	38,788,972	0	9,115,408	-	0	-	38,788,972	0	9,115,408
APL	APOLLO GLOBAL CAPITAL INC	-	-	102,340,000	102,340,000	0	1,330,420	-	0	-	102,340,000	0	1,330,420
APO	ANGLO PHIL. HOLDINGS CORPORATI	41,840	-	3,315,014	3,356,854	0	1,510,584	-	0	-	3,356,854	0	1,510,584
APVI	ALTUS PROPERTY VENTURES INC.	-	-	168,948	168,948	9	1,569,527	-	9	-	168,948	9	1,569,527
APX	APEX MINING CO. INC.	60	-	8,812,302	8,812,362	3	26,437,086	198,000	3	594,000	9,010,362	3	27,031,086
AR	ABRA MINING AND INDUSTRIAL COR	-	-	2,010,300,000	2,010,300,000	0	9,247,380	-	0	-	2,010,300,000	0	9,247,380
ARA	ARANETA PROPERTIES INC.	-	-	17,393,308	17,393,308	1	17,045,442	100,000	1	98,000	17,493,308	1	17,143,442
AREIT	AREIT INC.	-	-	5,741,220	5,741,220	33	191,756,748	(1,100)	33	(36,740)	5,740,120	33	191,720,008
ASLAG	RASLAG CORP.	-	-	129,000	129,000	1	166,410	-	1	-	129,000	1	166,410
AT	ATLAS CONS. MNG & DEV CORP.	52	-	15,682,465	15,682,517	4	55,359,285	20,000	4	70,600	15,702,517	4	55,429,885
ATI	ASIAN TERMINALS INC.	-	-	567,420	567,420	15	8,511,300	-	15	-	567,420	15	8,511,300

CODE	ISSUE	PER RECORD									PER COUNT		
		NUMBER OF SHARES				MARKET VALUE	VALUATION	CLEARING HOUSE	MARKET VALUE	VALUATION	NUMBER OF SHARES	MARKET VALUE	VALUATION
		IN BOX	IN TRANSIT	PCD	TOTAL								
ATN	ATN HOLDINGS INC.	10,000	-	2,309,500	2,319,500	0	881,410	-	0	-	2,319,500	0	881,410
ATNB	ATN HOLDINGS INC. - B	-	-	44,551,000	44,551,000	0	16,929,380	-	0	-	44,551,000	0	16,929,380
AUB	ASIA UNITED BANK CORPORATION	-	-	724,159	724,159	33	23,679,999	-	33	-	724,159	33	23,679,999
AXLM	AXELUM RESOURCES CORP.	-	-	423,600	423,600	2	1,016,640	-	2	-	423,600	2	1,016,640
BALAI	BALAI NI FRUITAS INC.	-	-	2,637,000	2,637,000	0	1,028,430	-	0	-	2,637,000	0	1,028,430
BC	BENGUET CORPORATION "A"	1,128	-	17,175,884	17,177,012	5	83,652,048	-	5	-	17,177,012	5	83,652,048
BCB	BENGUET CORPORATION "B"	-	-	13,819,834	13,819,834	5	67,717,187	-	5	-	13,819,834	5	67,717,187
BCOR	BERJAYA PHILIPPINES INC.	-	-	14,800	14,800	8	111,148	-	8	-	14,800	8	111,148
BDO	BDO UNIBANK INC.	-	-	1,654,720	1,654,720	131	215,940,960	108,527	131	14,162,774	1,763,247	131	230,103,734
BEL	BELLE CORPORATION	-	-	21,190,593	21,190,593	1	24,792,994	-	1	-	21,190,593	1	24,792,994
BF	BANCO FILIPINO SAVINGS & MORTG	-	-	62	62	90	5,580	-	90	-	62	90	5,580
BFC	BANCO FILIPINO CONVERTIBLE PRE	-	-	1	1	100	100	-	100	-	1	100	100
BHI	BOULEVARD HOLDINGS INC.	-	-	109,550,000	109,550,000	0	6,682,550	-	0	-	109,550,000	0	6,682,550
BKR	BRIGHT KINDLE RESOURCES & INVE	-	-	5,688,801	5,688,801	1	7,964,321	-	1	-	5,688,801	1	7,964,321
BLOOM	BLOOMBERRY RESORTS CORPORATION	-	-	13,675,200	13,675,200	10	134,563,968	(707,400)	10	(6,960,816)	12,967,800	10	127,603,152
BMM	BOGO MEDELLIN MILLING CO.	-	-	10	10	40	400	-	40	-	10	40	400
BNCOM	BANK OF COMMERCE	-	-	1,044,100	1,044,100	7	7,590,607	-	7	-	1,044,100	7	7,590,607
BPI	BANK OF THE PHILIPPINE ISLANDS	-	-	1,328,518	1,328,518	104	137,900,168	220,033	104	22,839,425	1,548,551	104	160,739,594
BRN	A. BROWN COMPANY INC.	-	-	146,121,331	146,121,331	1	94,978,865	-	1	-	146,121,331	1	94,978,865
BRNP	A. BROWN COMPANY INC. SERIES "	-	-	41,000	41,000	97	3,956,500	-	97	-	41,000	97	3,956,500
BSC	BASIC ENERGY CORPORATION	9,398	-	8,000,385	8,009,783	0	1,417,732	-	0	-	8,009,783	0	1,417,732
C	CHELSEA LOGISTICS AND INFRASTR	-	-	42,333,100	42,333,100	2	63,499,650	-	2	-	42,333,100	2	63,499,650
CA	CONCRETE AGGREGATES CORPORATIO	-	-	11,410	11,410	39	445,561	-	39	-	11,410	39	445,561
CAB	CONCRETE AGGREGATES CORPORATIO	-	-	100	100	67	6,745	-	67	-	100	67	6,745
CAL	CALATA CORPORATION	-	-	731,040	731,040	2	1,491,322	-	2	-	731,040	2	1,491,322
ATN	ATN HOLDINGS INC.	10,000	-	2,309,500	2,319,500	0	881,410	-	0	-	2,319,500	0	881,410
CAT	CENTRAL AZUCARERA DE TARLACINC	-	-	39,480	39,480	12	454,020	-	12	-	39,480	12	454,020

CODE	ISSUE	PER RECORD									PER COUNT		
		NUMBER OF SHARES				MARKET VALUE	VALUATION	CLEARING HOUSE	MARKET VALUE	VALUATION	NUMBER OF SHARES	MARKET VALUE	VALUATION
		IN BOX	IN TRANSIT	PCD	TOTAL								
CBC	COSMOS BOTTLING COMPANY	-	-	25,200	25,200	3	75,600	-	3	-	25,200	3	75,600
CDC	CITYLAND DEVELOPMENT CORP.	-	-	1,012,594	1,012,594	1	698,690	-	1	-	1,012,594	1	698,690
CEB	CEBU AIR INC.	-	-	2,767,848	2,767,848	33	89,955,060	64,500	33	2,096,250	2,832,348	33	92,051,310
CEBCP	CEBU AIR INC.-CONVERTIBLE PREF	-	-	1,381,328	1,381,328	32	44,824,094	-	32	-	1,381,328	32	44,824,094
CEI	CROWN EQUITIES INC.	-	-	41,713,440	41,713,440	0	2,794,800	-	0	-	41,713,440	0	2,794,800
CEU	CENTRO ESCOLAR UNIVERSITY	-	-	92,400	92,400	9	785,400	-	9	-	92,400	9	785,400
CHI	CEBU HOLDINGS INC.	-	-	30,172,631	30,172,631	6	184,656,502	-	6	-	30,172,631	6	184,656,502
CHIB	CHINA BANKING CORP.	-	-	3,056,197	3,056,197	31	94,283,677	-	31	-	3,056,197	31	94,283,677
CHP	CEMEX HOLDINGS PHILIPPINES INC	-	-	12,243,085	12,243,085	1	11,508,500	5,000	1	4,700	12,248,085	1	11,513,200
CIC	CONCEPCION INDUSTRIAL CORPORAT	-	-	122,253,977	122,253,977	15	1,772,682,667	-	15	-	122,253,977	15	1,772,682,667
CIP	CHEMICAL INDUSTRIES OF THE PHI	-	-	60	60	120	7,200	-	120	-	60	120	7,200
CITI	CITIGROUP INC.	-	-	1,000	1,000	-	-	-	-	-	1,000	-	-
CLI	CEBU LANDMASTERS INC.	-	-	4,605,402	4,605,402	2	11,375,343	4,000	2	9,880	4,609,402	2	11,385,223
CNPF	CENTURY PACIFIC FOOD INC.	-	-	1,217,800	1,217,800	31	37,690,910	-	31	-	1,217,800	31	37,690,910
CNVRG	CONVERGE INFO. & COMM. TECHNOL	-	-	10,942,700	10,942,700	8	91,699,826	(378,200)	8	(3,169,316)	10,564,500	8	88,530,510
COAL	COAL ASIA HOLDINGS INCORPORATE	-	-	2,783,000	2,783,000	0	308,913	-	0	-	2,783,000	0	308,913
COL	COL FINANCIAL GROUP INC.	-	-	9,379,000	9,379,000	3	24,948,140	-	3	-	9,379,000	3	24,948,140
COSCO	COSCO CAPITAL INC.	-	-	7,942,370	7,942,370	5	36,693,749	(20,000)	5	(92,400)	7,922,370	5	36,601,349
CPG	CENTURY PROPERTIES GROUP INC.	-	-	19,431,882	19,431,882	0	5,440,927	-	0	-	19,431,882	0	5,440,927
CPM	CENTURY PEAK HOLDINGS CORPORAT	-	-	805,000	805,000	3	2,801,400	-	3	-	805,000	3	2,801,400
CREIT	CITICORE ENERGY REIT CORP.	-	-	7,129,258	7,129,258	3	18,250,900	(62,000)	3	(158,720)	7,067,258	3	18,092,180
CROWN	CROWN ASIA CHEMICALS CORPORATI	-	-	246,720	246,720	2	384,883	-	2	-	246,720	2	384,883
CTS	CTS GLOBAL EQUITY GROUP INC.	-	-	747,000	747,000	1	560,250	-	1	-	747,000	1	560,250
CYBR	CYBER BAY CORPORATION	-	-	9,168,313	9,168,313	0	3,025,543	-	0	-	9,168,313	0	3,025,543
DD	DOUBLEDRAGON CORPORATION	-	-	1,165,830	1,165,830	8	8,860,308	500	8	3,800	1,166,330	8	8,864,108
DDMPR	DDMP REIT INC.	-	-	68,994,000	68,994,000	1	83,482,740	100,000	1	121,000	69,094,000	1	83,603,740
DDPR	DOUBLEDRAGON CORPORATION - PRE	-	-	650,450	650,450	93	60,491,850	-	93	-	650,450	93	60,491,850

CODE	ISSUE	PER RECORD									PER COUNT		
		NUMBER OF SHARES				MARKET VALUE	VALUATION	CLEARING HOUSE	MARKET VALUE	VALUATION	NUMBER OF SHARES	MARKET VALUE	VALUATION
		IN BOX	IN TRANSIT	PCD	TOTAL								
DELM	DEL MONTE PACIFIC LIMITED	-	-	1,358,396	1,358,396	6	8,815,990	(16,200)	6	(105,138)	1,342,196	6	8,710,852
DFNN	DFNN INC.	-	-	4,883,000	4,883,000	3	15,088,470	-	3	-	4,883,000	3	15,088,470
DGTL	DIGITAL TELECOMM. PHILS. INC.	-	-	3,000	3,000	1	4,350	-	1	-	3,000	1	4,350
DHI	DOMINION HOLDINGS INC	-	-	3,995,990	3,995,990	-	-	-	-	-	3,995,990	-	-
DITO	DITO CME HOLDINGS CORP.	-	-	715,381,953	715,381,953	2	1,681,147,590	(10,000)	2	(23,500)	715,371,953	2	1,681,124,090
DIZ	DIZON COPPER SILVER MINES INC	-	-	333,569	333,569	2	743,859	-	2	-	333,569	2	743,859
DMC	DMCI HOLDINGS INC.	-	-	11,143,095	11,143,095	10	108,868,038	16,900	10	165,113	11,159,995	10	109,033,151
DMW	D. M. WENCESLAO & ASSOCIATES I	-	-	1,712,600	1,712,600	5	8,837,016	50,000	5	258,000	1,762,600	5	9,095,016
DNA	PHILAB HOLDINGS CORP.	-	-	91,641	91,641	3	262,093	-	3	-	91,641	3	262,093
DNL	D & L INDUSTRIES INC.	-	-	217,357,850	217,357,850	6	1,371,528,034	(35,000)	6	(220,850)	217,322,850	6	1,371,307,184
DWC	DISCOVERY WORLD CORPORATION	-	-	131,100	131,100	1	184,851	-	1	-	131,100	1	184,851
EAGLE	EAGLE CEMENT CORPORATION	-	-	5,000	5,000	17	85,000	-	17	-	5,000	17	85,000
ECP	EASYCALL COMM. PHILS. INC.	-	-	92,993	92,993	2	210,164	-	2	-	92,993	2	210,164
ECVC	EAST COAST VULCAN CORPORATION	156	-	10,645,464	10,645,620	1	6,387,372	-	1	-	10,645,620	1	6,387,372
EDC	ENERGY DEVELOPMENT CORPORATION	2,650	-	5,001	7,651	7	52,562	-	7	-	7,651	7	52,562
EEI	EEI CORPORATION	275	-	8,118,990	8,119,265	6	48,472,012	-	6	-	8,119,265	6	48,472,012
EEIPA	EEI CORPORATION SERIES A PREFE	-	-	63,900	63,900	87	5,552,910	-	87	-	63,900	87	5,552,910
EEIPB	EEI CORPORATION SERIES B PREFE	-	-	325,300	325,300	97	31,521,570	-	97	-	325,300	97	31,521,570
EG	IP E-GAME VENTURES INC.	-	-	169,709,500	169,709,500	0	1,595,269	-	0	-	169,709,500	0	1,595,269
EIBA	EXPORT AND INDUSTRY BANK	-	-	11,457,188	11,457,188	0	2,577,867	-	0	-	11,457,188	0	2,577,867
EIBB	EXPORT AND INDUSTRY BANK - B	-	-	2,000,000	2,000,000	0	420,000	-	0	-	2,000,000	0	420,000
ELI	EMPIRE EAST LAND HOLDINGS INC.	2,820	-	27,178,594	27,181,414	0	3,424,858	-	0	-	27,181,414	0	3,424,858
EMI	EMPERADOR INC	-	-	128,500	128,500	5	2,679,225	(1,800)	21	(37,530)	126,700	21	2,641,695
ENEX	ENEX ENERGY CORP.	-	-	754,372	754,372	1	3,696,423	5,000	5	24,500	759,372	5	3,720,923
EURO	EURO-MED LABORATORIES PHIL. INC	-	-	553,963	553,963	0	393,314	-	1	-	553,963	1	393,314
EVER	EVER-GOTESCO RES. & HOLDINGS IN	-	-	3,347,000	3,347,000	9	970,630	-	0	-	3,347,000	0	970,630
EW	EAST WEST BANKING CORPORATION	-	-	2,703,608	2,703,608	9	23,034,740	431,984	9	3,680,504	3,135,592	9	26,715,244

CODE	ISSUE	PER RECORD				PER COUNT							
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		IN BOX	IN TRANSIT	PCD	TOTAL								
FAF	FIRST ABACUS FIN L HOLDINGS	-	-	2,016,000	2,016,000	1	1,209,600	-	1	-	2,016,000	1	1,209,600
FB	SAN MIGUEL FOOD AND BEVERAGE I	-	-	3,533,820	3,533,820	51	180,224,820	-	51	-	3,533,820	51	180,224,820
FCG	FIGARO COFFEE GROUP INC	-	-	802,000	802,000	1	481,200	(50,000)	1	(30,000)	752,000	1	451,200
FDC	FILINVEST DEVELOPMENT CORP.	-	-	36,233,324	36,233,324	5	193,848,283	-	5	-	36,233,324	5	193,848,283
FERRO	FERRONOUX HOLDINGS INC.	-	-	857,500	857,500	3	2,486,750	-	3	-	857,500	3	2,486,750
FEU	FAR EASTERN UNIVERSITY INC.	-	-	5,142	5,142	567	2,912,943	-	567	-	5,142	567	2,912,943
FFI	FILIPINO FUND INC.	-	-	53,611	53,611	4	193,000	-	4	-	53,611	4	193,000
FGEN	FIRST GEN CORPORATION	-	-	4,169,411	4,169,411	17	72,547,751	(1,700)	17	(29,580)	4,167,711	17	72,518,171
FHC	FIL-HISPANO CORPORATION	92,500	-	-	92,500	-	-	-	-	-	92,500	-	-
FILRT	FILINVEST REIT CORP.	-	-	38,858,800	38,858,800	3	100,255,704	-	3	-	38,858,800	3	100,255,704
FJP	F & J PRINCE HOLDINGS CORP.	-	-	118,350	118,350	2	195,278	-	2	-	118,350	2	195,278
FLI	FILINVEST LAND INC.	-	-	326,554,344	326,554,344	1	192,667,063	-	1	-	326,554,344	1	192,667,063
FMETF	FIRST METRO PHIL. EQUITY EXCH.	-	-	26,908	26,908	103	2,763,452	(540)	103	(55,458)	26,368	103	2,707,994
FNI	GLOBAL FERRONICKEL HOLDINGS IN	-	-	634,099,502	634,099,502	2	1,306,244,974	-	2	-	634,099,502	2	1,306,244,974
FOOD	ALLIANCE SELECT FOODS INTERNAT	-	-	8,161,463	8,161,463	0	3,754,273	-	0	-	8,161,463	0	3,754,273
FPCL	FIRST PACIFIC COMPANY LIMITED	-	-	68,616,250	68,616,250	-	-	-	-	-	68,616,250	-	-
FPH	FIRST PHIL. HOLDINGS CORP.	-	-	5,099,591	5,099,591	63	318,724,438	-	63	-	5,099,591	63	318,724,438
FPI	FORUM PACIFIC INC.	-	-	5,962,603	5,962,603	0	1,192,521	-	0	-	5,962,603	0	1,192,521
FRUIT	FRUITAS HOLDINGS INC.	-	-	1,841,000	1,841,000	1	1,767,360	-	1	-	1,841,000	1	1,767,360
FWBC	FWBC HOLDINGS INC.	270,730	-	-	270,730	-	-	-	-	-	270,730	-	-
GEO	GEOGRACE RESOURCES PHILIPPINES	-	-	14,864,845	14,864,845	0	401,351	-	0	-	14,864,845	0	401,351
GERI	GLOBAL-ESTATE RESORTS INC.	-	-	46,856,501	46,856,501	1	44,513,676	-	1	-	46,856,501	1	44,513,676
GLO	GLOBE TELECOM INC.	-	-	225,720	225,720	1,720	388,238,400	(5,310)	1,720	(9,133,200)	220,410	1,720	379,105,200
GMA7	GMA NETWORK INC.	-	-	34,399,800	34,399,800	8	288,958,320	(30,500)	8	(256,200)	34,369,300	8	288,702,120
GMAP	GMA HOLDINGS INC.	-	-	11,318,300	11,318,300	8	93,941,890	-	8	-	11,318,300	8	93,941,890
GO	GOTESCO LAND INC.	-	-	274,484	274,484	0	27,448	-	0	-	274,484	0	27,448
GOB	GOTESCO LAND INC. - B	-	-	20,600	20,600	0	2,266	-	0	-	20,600	0	2,266

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		IN BOX	IN TRANSIT	PCD	TOTAL								
GPH	GRAND PLAZA HOTEL CORPORATION	-	-	219	219	7	1,498	-	7	-	219	7	1,498
GREEN	GREENERGY HOLDINGS INCORPORATE	-	-	20,912,798	20,912,798	0	4,789,031	-	0	-	20,912,798	0	4,789,031
GSMI	GINEBRA SAN MIGUEL INC.	-	-	2,147,280	2,147,280	169	362,246,136	4,320	169	728,784	2,151,600	169	362,974,920
GTCPAP	GT CAPITAL HOLDINGS INC.	-	-	380,757	380,757	590	224,646,630	89,850	590	53,011,500	470,607	590	277,658,130
GTPPB	GT CAPITAL HOLDINGS INC. SERIE	-	-	185,100	185,100	941	174,086,550	-	941	-	185,100	941	174,086,550
HI	HOUSE OF INVESTMENT	-	-	751,067	751,067	3	2,433,457	-	3	-	751,067	3	2,433,457
HKENM	E NEW MEDIA HOLDINGS	-	-	100,000	100,000	-	-	-	-	-	100,000	-	-
HLCM	HOLCIM PHILIPPINES INC.	694	-	325,287	325,981	4	1,261,546	-	4	-	325,981	4	1,261,546
HOME	ALLHOME CORP.	-	-	54,101,970	54,101,970	1	60,594,206	-	1	-	54,101,970	1	60,594,206
HOUSE	8990 HOLDINGS INC.	-	-	121,747	121,747	9	1,123,725	-	9	-	121,747	9	1,123,725
HTI	HAUS TALK INC.	-	-	174,263,000	174,263,000	1	165,549,850	-	1	-	174,263,000	1	165,549,850
HVN	GOLDEN MV HOLDINGS INC.	-	-	14,676,302	14,676,302	845	12,394,137,039	-	845	-	14,676,302	845	12,394,137,039
I	I-REMIT INC.	-	-	183,166	183,166	0	70,519	-	0	-	183,166	0	70,519
ICT	INTERNATIONAL CONTAINER TERMIN	-	-	772,532	772,532	247	190,660,898	48,452	247	11,957,954	820,984	247	202,618,851
IDC	ITALPINAS DEVELOPMENT CORPORAT	-	-	1,445,090	1,445,090	1	997,112	-	1	-	1,445,090	1	997,112
IMI	INTEGRATED MICRO-ELECTRONICS I	-	-	1,946,620	1,946,620	3	6,151,319	-	3	-	1,946,620	3	6,151,319
IMP	IMPERIAL RESOURCES INC.	-	-	189,550	189,550	1	98,566	-	1	-	189,550	1	98,566
INFRA	PHILIPPINE INFRADEV HOLDINGS I	3,000	-	87,005,000	87,008,000	1	47,854,400	-	1	-	87,008,000	1	47,854,400
ION	IONICS INC.	-	-	342,925	342,925	1	346,354	-	1	-	342,925	1	346,354
IPM	IPM HOLDINGS INC.	-	-	184,500	184,500	3	623,610	-	3	-	184,500	3	623,610
IPO	iPEOPLE INC.	-	-	10,772,960	10,772,960	7	79,181,256	-	7	-	10,772,960	7	79,181,256
IS	ISLAND INFORMATION & TECHNOLOG	-	-	15,200,000	15,200,000	0	2,188,800	-	0	-	15,200,000	0	2,188,800
JAS	JACKSTONES INC.	-	-	13,000	13,000	1	10,530	-	1	-	13,000	1	10,530
JFC	JOLLIBEE FOODS CORPORATION	-	-	978,914	978,914	251	246,098,980	(70,389)	251	(17,695,795)	908,525	251	228,403,185
JFCPA	JOLLIBEE FOOD CORP. SERIES A P	-	-	16,270	16,270	951	15,464,635	-	951	-	16,270	951	15,464,635
JFCPB	JOLLIBEE FOOD CORP. SERIES B P	-	18,495	40,350	58,845	942	55,431,990	-	942	-	58,845	942	55,431,990
JGS	JG SUMMIT HOLDINGS INC.	-	-	192,889,707	192,889,707	38	7,358,742,322	215,541	38	8,222,889	193,105,248	38	7,366,965,211

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		IN BOX	IN TRANSIT	PCD	TOTAL								
KALAH	KALAH REALTY INC.	13,420	-	-	13,420	-	-	-	-	-	13,420	-	-
KEEPR	THE KEEPERS HOLDINGS INC.	-	-	49,081,278	49,081,278	1	72,640,291	500,000	1	740,000	49,581,278	1	73,380,291
KEP	KEPPEL PHILS. PROPERTIES INC.	-	-	5,228,876	5,228,876	5	25,673,781	-	5	-	5,228,876	5	25,673,781
KPH	KEPPEL PHILS. HOLDINGS INC.	-	-	63,265	63,265	5	316,325	-	5	-	63,265	5	316,325
KPHB	KEPPEL PHILS. HOLDINGS INC. B	-	-	60,452	60,452	6	333,091	-	6	-	60,452	6	333,091
KPPI	KEPWEALTH PROPERTY PHILS. INC.	-	-	533,200	533,200	2	815,796	-	2	-	533,200	2	815,796
LAND	CITY AND LAND DEVELOPERS INC.	-	-	2,606,919	2,606,919	1	1,981,258	-	1	-	2,606,919	1	1,981,258
LBC	LBC EXPRESS HOLDINGS INC.	-	-	1,000	1,000	18	18,240	-	18	-	1,000	18	18,240
LC	LEPANTO CONS. MINING CO. "A"	19,428	-	138,915,005	138,934,433	0	11,114,755	100,000	0	8,000	139,034,433	0	11,122,755
LCB	LEPANTO CONS. MINING CO. "B"	3,061	-	17,964,232	17,967,293	0	1,401,449	-	0	-	17,967,293	0	1,401,449
LFM	LIBERTY FLOUR MILLS	-	-	200	200	12	2,420	-	12	-	200	12	2,420
LIB	LIBERTY TELECOM HOLDINGS INC.	1,000	-	118,000	119,000	2	185,640	-	2	-	119,000	2	185,640
LMG	LMG CORPORATION	-	-	99,700	99,700	3	332,998	-	3	-	99,700	3	332,998
LODE	LODESTAR INVESTMENT HOLDINGS C	-	-	4,353,000	4,353,000	0	2,024,145	-	0	-	4,353,000	0	2,024,145
LOTO	PACIFIC ONLINE SYSTEMS CORPORA	-	-	451,250	451,250	5	2,233,688	18,000	5	89,100	469,250	5	2,322,788
LPC	LFM PROPERTIES CORPORATION	-	-	82,800	82,800	0	4,968	-	0	-	82,800	0	4,968
LPZ	LOPEZ HOLDINGS CORPORATION	800	-	28,683,295	28,684,095	4	122,194,245	-	4	-	28,684,095	4	122,194,245
LSC	LORENZO SHIPPING CORPORATION	1,000	-	594,760	595,760	1	327,668	-	1	-	595,760	1	327,668
LTG	LT GROUP INC.	-	-	4,832,041	4,832,041	9	43,391,728	(3,700)	9	(33,226)	4,828,341	9	43,358,502
MA	MANILA MINING CORPORATION "A"	-	-	714,132,596	714,132,596	0	3,285,010	-	0	-	714,132,596	0	3,285,010
MAB	MANILA MINING CORPORATION "B"	-	-	313,107,939	313,107,939	0	1,346,364	-	0	-	313,107,939	0	1,346,364
MAC	MACROASIA CORPORATION	-	-	5,644,814	5,644,814	4	23,425,978	-	4	-	5,644,814	4	23,425,978
MACAY	MACAY HOLDINGS INC.	-	900,000,000	56,058,852	956,058,852	6	5,449,535,456	-	6	-	956,058,852	6	5,449,535,456
MAH	METRO ALLIANCE HOLDINGS & EQUI	-	-	1,148,911	1,148,911	0	522,755	-	0	-	1,148,911	0	522,755
MAHB	METRO ALLIANCE HOLDINGS & EQUI	-	-	113,500	113,500	1	57,885	-	1	-	113,500	1	57,885
MARC	MARCVENTURES HOLDINGS INC.	20	-	26,515,743	26,515,763	1	28,637,024	-	1	-	26,515,763	1	28,637,024
MAXS	MAXS GROUP INC.	-	-	661,110	661,110	3	2,161,830	-	3	-	661,110	3	2,161,830

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		IN BOX	IN TRANSIT	PCD	TOTAL								
MB	MANILA BULLETIN PUB. CORP.	-	-	2,124,351	2,124,351	0	490,725	-	0	-	2,124,351	0	490,725
MBC	MANILA BROADCASTING COMPANY	-	-	58,700	58,700	8	469,600	-	8	-	58,700	8	469,600
MBT	METROPOLITAN BANK & TRUST COMP	35	-	5,371,484	5,371,519	51	275,558,925	(221,410)	51	(11,358,333)	5,150,109	51	264,200,592
MCB	MARSTEEL CONSOLIDATED "B"	450,000	-	-	450,000	0	9,000	-	0	-	450,000	0	9,000
MED	MEDCO HOLDINGS INC.	-	-	3,011,000	3,011,000	0	258,946	-	0	-	3,011,000	0	258,946
MEDIC	MEDILINES DISTRIBUTORS INCORPO	-	-	746,000	746,000	0	246,180	-	0	-	746,000	0	246,180
MEG	MEGAWORLD CORPORATION	-	-	262,717,175	262,717,175	2	517,552,835	(35,000)	2	(68,950)	262,682,175	2	517,483,885
MER	MANILA ELECTRIC COMPANY	32	-	1,327,603	1,327,635	399	529,726,365	39,299	399	15,680,301	1,366,934	399	545,406,666
MFC	MANULIFE FINANCIAL CORPORATION	-	-	7,529	7,529	1,130	8,507,770	-	1,130	-	7,529	1,130	8,507,770
MFIN	MAKATI FINANCE CORPORATION	-	-	8,925	8,925	2	16,958	-	2	-	8,925	2	16,958
MG	MILLENNIUM GLOBAL HOLDINGS INC	-	-	15,058,334	15,058,334	0	1,520,892	-	0	-	15,058,334	0	1,520,892
MGH	METRO GLOBAL HOLDINGS CORPORAT	-	-	109,200	109,200	1	109,200	-	1	-	109,200	1	109,200
MHC	MABUHAY HOLDINGS CORPORATION	-	-	3,908,300	3,908,300	0	437,730	-	0	-	3,908,300	0	437,730
MJC	MANILA JOCKEY CLUB INC.	-	-	475,977	475,977	1	604,491	-	1	-	475,977	1	604,491
MJIC	MJCI INVESTMENTS CORPORATION	-	-	43,100	43,100	1	36,204	-	1	-	43,100	1	36,204
MM	MERRYMART CONSUMER CORP.	-	-	5,797,800	5,797,800	1	5,971,734	10,000	1	10,300	5,807,800	1	5,982,034
MMC	MARCOPPER MINING CORP.	-	-	90,000	90,000	1	90,000	-	1	-	90,000	1	90,000
MONDE	MONDE NISSIN CORPORATION	-	-	4,276,000	4,276,000	8	35,832,880	598,700	8	5,017,106	4,874,700	8	40,849,986
MPC	METRO PACIFIC CORPORATION	-	-	333	333	2	693	-	2	-	333	2	693
MPI	METRO PACIFIC INVESTMENTS CORP	-	-	982,064	982,064	5	5,087,092	-	5	-	982,064	5	5,087,092
MRC	MRC ALLIED INC.	-	-	3,090,400	3,090,400	1	4,017,520	-	1	-	3,090,400	1	4,017,520
MREIT	MREIT INC.	-	-	13,656,100	13,656,100	12	167,970,030	-	12	-	13,656,100	12	167,970,030
MRP	MELCO RESORTS AND ENTERTAINMEN	544,478	-	-	544,478	7	3,947,466	-	7	-	544,478	7	3,947,466
MRS GI	METRO RETAIL STORES GROUP INC.	-	-	4,136,900	4,136,900	1	5,253,863	-	1	-	4,136,900	1	5,253,863
MVC	MABUHAY VINYL CORPORATION	-	-	2,836	2,836	6	16,619	-	6	-	2,836	6	16,619
MWC	MANILA WATER COMPANY INC.	-	-	5,645,707	5,645,707	19	105,010,150	(13,600)	19	(252,960)	5,632,107	19	104,757,190
MWIDE	MEGAWIDE CONSTRUCTION CORPORAT	-	-	5,186,948	5,186,948	3	15,975,800	(30,000)	3	(92,400)	5,156,948	3	15,883,400

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		IN BOX	IN TRANSIT	PCD	TOTAL								
MWP2B	MEGAWIDE CONS CORP. PREF SERIE	-	-	438,000	438,000	90	39,529,500	-	90	-	438,000	90	39,529,500
MWP4	MEGAWIDE CONSTRUCTION CORP. SE	-	-	149,000	149,000	88	13,134,350	-	88	-	149,000	88	13,134,350
MWP5	MWIDE - SERIES 5 PREF SHARES	-	-	2,840	2,840	101	287,692	-	101	-	2,840	101	287,692
NI	NIHAO MINERAL RESOURCES INTL.	-	-	1,584,600	1,584,600	1	871,530	-	1	-	1,584,600	1	871,530
NIKL	NICKEL ASIA CORPORATION	-	-	317,096,627	317,096,627	5	1,737,689,516	(11,800)	5	(64,664)	317,084,827	5	1,737,624,852
NN	NEGROS NAVIGATION CO. INC.	-	-	251	251	0	93	-	0	-	251	0	93
NOW	NOW CORPORATION	-	-	15,681,772	15,681,772	1	18,034,038	160,000	1	184,000	15,841,772	1	18,218,038
NRCP	NATIONAL REINSURANCE CORPORATI	-	-	6,641,800	6,641,800	0	2,391,048	-	0	-	6,641,800	0	2,391,048
NXGEN	NEXTGENESIS CORPORATION	-	-	50,800	50,800	-	-	-	-	-	50,800	-	-
OM	OMICO CORPORATION	2,000	-	3,918,233	3,920,233	0	1,078,064	-	0	-	3,920,233	0	1,078,064
OPM	ORIENTAL PET & MIN CORP. "A"	449,975	328,006	600,700,576	601,478,557	0	4,811,828	-	0	-	601,478,557	0	4,811,828
OPMB	ORIENTAL PET & MIN CORP. "B"	19,516	28,532	441,629,373	441,677,421	0	3,577,587	-	0	-	441,677,421	0	3,577,587
ORE	ORIENTAL PENINSULA RESOURCES G	-	-	3,192,500	3,192,500	1	2,011,275	-	0.6300	-	3,192,500	1	2,011,275
OV	THE PHILODRILL CORPORATION	1,267,883	-	1,083,110,107	1,084,377,990	0	8,783,462	-	0.0081	-	1,084,377,990	0	8,783,462
PA	PACIFICA HOLDINGS INC.	-	-	393,745	393,745	1	543,368	-	1.3800	-	393,745	1	543,368
PAL	PAL HOLDINGS INC.	37	-	142,903	142,940	5	724,706	-	5.0700	-	142,940	5	724,706
PAX	PAXYS INC.	-	-	536,396	536,396	1	552,488	-	1.0300	-	536,396	1	552,488
PBB	PHILIPPINE BUSINESS BANK	-	-	185,115	185,115	9	1,610,501	-	8.7000	-	185,115	9	1,610,501
PBC	PHILIPPINE BANK OF COMM.	-	-	331,201	331,201	14	4,676,558	-	14.1200	-	331,201	14	4,676,558
PCOR	PETRON CORPORATION	250	-	31,525,546	31,525,796	4	111,916,576	-	3.5500	-	31,525,796	4	111,916,576
PCP	PICOP RESOURCES INC.	475	-	39,220,187	39,220,662	0	7,255,822	-	0.1850	-	39,220,662	0	7,255,822
PECB	PNOC EXPLORATION CORPORATION "	-	-	54,870	54,870	25	1,374,494	-	25.0500	-	54,870	25	1,374,494
PERC	PETROENERGY RESOURCES CORPORAT	-	-	81,481	81,481	5	403,331	-	4.9500	-	81,481	5	403,331
PGOLD	PUREGOLD PRICE CLUB INC.	-	-	1,484,145	1,484,145	27	39,923,501	69,400	26.9000	1,866,860	1,553,545	27	41,790,361
PHA	PREMIERE HORIZON ALLIANCE CORP	-	-	8,084,000	8,084,000	0	1,309,608	-	0.1620	-	8,084,000	0	1,309,608
PHC	PHILCOMSAT HOLDINGS CORP.	-	-	14,100	14,100	1	19,740	-	1.4000	-	14,100	1	19,740
PHES	PHILIPPINE ESTATES CORP.	-	-	7,397,000	7,397,000	0	2,330,055	-	0.3150	-	7,397,000	0	2,330,055
PHN	PHINMA CORPORATION	150	-	2,556,368	2,556,518	20	52,152,967	-	20.4000	-	2,556,518	20	52,152,967
PHR	PH RESORTS GROUP HOLDINGS INC.	-	-	52,715,000	52,715,000	1	45,862,050	-	0.8700	-	52,715,000	1	45,862,050
PIP	PEPSI-COLA PRODUCTS PHILIPPINE	-	-	1,305,445	1,305,445	2	2,219,257	-	1.7000	-	1,305,445	2	2,219,257
PIZZA	SHAKEYS PIZZA ASIA VENTURES IN	-	-	3,492,202	3,492,202	10	34,223,580	-	9.8000	-	3,492,202	10	34,223,580
PLC	PREMIUM LEISURE CORP.	-	-	25,867,600	25,867,600	1	16,296,588	-	0.6300	-	25,867,600	1	16,296,588
PLUS	DIGIPLUS INTERACTIVE CORP.	-	76,800	29,936,779	30,013,579	8	240,108,632	54,900	8.0000	439,200	30,068,479	8	240,547,832
PMPC	PANASONIC MANUFACTURING PHILIP	-	-	151,789	151,789	6	880,376	-	5.8000	-	151,789	6	880,376
PMT	PRIMETOWN PROPERTY GROUP INC.	-	-	102,877	102,877	0	38,064	-	0.3700	-	102,877	0	38,064
PNB	PHILIPPINE NATIONAL BANK	-	43,900	1,670,923	1,714,823	19	31,724,226	(7,800)	18.5000	(144,300)	1,707,023	19	31,579,926
PNCC	PHIL. NAT L. CONST. CORP.	-	-	34,254	34,254	3	101,049	-	2.9500	-	34,254	3	101,049
PNX	PHOENIX PETROLEUM PHILIPPINES	-	-	126,627,918	126,627,918	5	620,476,798	-	4.9000	-	126,627,918	5	620,476,798
PNX3B	PPPI SERIES 3B PREF SHARES	-	-	44,366	44,366	23	1,040,383	-	23.4500	-	44,366	23	1,040,383
PNX4	PPPI SERIES 4 PREF SHARES	-	-	48,360	48,360	233	11,258,208	-	232.8000	-	48,360	233	11,258,208
PPC	PRYCE CORPORATION	-	-	10,676,808	10,676,808	5	56,693,850	-	5.3100	-	10,676,808	5	56,693,850
PRC	PHILIPPINE RACING CLUB INC.	-	-	57,239,744	57,239,744	6	366,334,362	-	6.4000	-	57,239,744	6	366,334,362

PER RECORD

PER COUNT

CODE	ISSUE	NUMBER OF SHARES				MARKET VALUE	VALUATION	CLEARING HOUSE	MARKET VALUE	VALUATION	NUMBER OF SHARES	MARKET VALUE	VALUATION
		IN BOX	IN TRANSIT	PCD	TOTAL								
SPM	SEAFRONT RESOURCES CORPORATION	918	-	1,630,666	1,631,584	1	2,300,533	-	1.4100	-	1,631,584	1	2,300,533
SPNEC	SP NEW ENERGY CORPORATION	-	-	1,743,762,357	1,743,762,357	1	2,301,766,311	20,000	1.3200	26,400	1,743,782,357	1	2,301,792,711
SSI	SSI GROUP INC.	-	-	35,953,231	35,953,231	2	81,613,834	(50,000)	2.2700	(113,500)	35,903,231	2	81,500,334
SSP	SFA SEMICON PHILIPPINES CORP	-	-	4,123,000	4,123,000	2	9,111,830	-	2.2100	-	4,123,000	2	9,111,830
STI	STI EDUCATION SYSTEMS HOLDINGS	-	-	42,035,000	42,035,000	0	20,386,975	-	0.4850	-	42,035,000	0	20,386,975
STN	STENIEL MFG. CORP.	-	-	2,124,293	2,124,293	0	552,316	-	0.2600	-	2,124,293	0	552,316
STR	VISTAMALLS INC	-	-	560,937,219	560,937,219	2	1,351,858,698	-	2.4100	-	560,937,219	2	1,351,858,698
SUN	SUNTRUST RESORT HOLDINGS INC.	-	-	12,492,748	12,492,748	1	10,618,836	-	0.8500	-	12,492,748	1	10,618,836
SWM	SANITARY WARES MFG. CORP.	-	-	3,607,660	3,607,660	0	721,532	-	0.2000	-	3,607,660	0	721,532
T	TKC METALS CORPORATION	-	-	2,210,000	2,210,000	0	917,150	-	0.4150	-	2,210,000	0	917,150
TBGI	TRANSPACIFIC BROADBAND GROUP I	-	-	72,724,399	72,724,399	0	9,890,518	-	0.1360	-	72,724,399	0	9,890,518
TCB2C	CIRTEK HOLDINGS PHIL. CORP.SUB	-	-	1,000	1,000	35	34,700	-	34.7000	-	1,000	35	34,700
TCB2D	CIRTEK HOLDINGS PHIL. CORP.SUB	-	-	78,110	78,110	48	3,753,186	-	48.0500	-	78,110	48	3,753,186
TECH	CIRTEK HOLDINGS PHILIPPINES CO	-	-	1,500,323	1,500,323	2	2,385,514	-	1.5900	-	1,500,323	2	2,385,514
TECHW	CIRTEK HOLDINGS PHILIPPINES CO	-	-	425,598	425,598	0	112,783	-	0.2650	-	425,598	0	112,783
TEL	PLDT INC.	1	-	310,474	310,475	1,279	397,097,525	17,569	1,279.0000	22,470,751	328,044	1,279	419,568,276
TEL S-C	PLDT (10% PREF) SERIES C	65	-	-	65	11	715	-	11.0000	-	65	11	715
TFHI	TOP FRONTIER INVESTMENT HOLDIN	-	-	42,291	42,291	102	4,309,453	-	101.9000	-	42,291	102	4,309,453
TUGS	HARBOR STAR SHIPPING SERVICES	-	-	302,500	302,500	1	229,900	-	0.7600	-	302,500	1	229,900
UBP	UNION BANK OF THE PHILIPPINES	490	-	3,362,150	3,362,640	50	169,308,924	(2,000)	50.3500	(100,700)	3,360,640	50	169,208,224
UNI	UNIOIL RES. & HOLDINGS CO.INC	-	-	3,113,000	3,113,000	0	765,798	-	0.2460	-	3,113,000	0	765,798
UP	UNIV RIGHTFIELD PROP HOLDINGS	-	-	23,322,031	23,322,031	0	886,237	-	0.0380	-	23,322,031	0	886,237
UPM	UNITED PARAGON MINING CORP.	-	-	479,734,700	479,734,700	0	1,918,939	-	0.0040	-	479,734,700	0	1,918,939
URC	UNIVERSAL ROBINA CORPORATION	-	-	2,346,705	2,346,705	118	277,380,531	81,917	118.2000	9,682,589	2,428,622	118	287,063,120
UW	UNIWISE HOLDINGS INC.	1,956	-	543,000	544,956	0	59,945	-	0.1100	-	544,956	0	59,945
V	VANTAGE EQUITIES INC.	-	-	2,673,876	2,673,876	1	2,058,885	-	0.7700	-	2,673,876	1	2,058,885
VITA	VITARICH CORPORATION	-	78,500	1,003,377,450	1,003,455,950	1	521,797,094	-	0.5200	-	1,003,455,950	1	521,797,094
VLL	VISTA LAND & LIFESCAPES INC.	-	-	3,719,097,340	3,719,097,340	2	6,248,083,531	-	1.6800	-	3,719,097,340	2	6,248,083,531
VMC	VICTORIA S MILLING CO. INC.	-	-	1,778,600	1,778,600	3	5,353,586	-	3.0100	-	1,778,600	3	5,353,586
VREIT	VISTAREIT INC.	-	-	3,208,500	3,208,500	2	5,358,195	-	1.6700	-	3,208,500	2	5,358,195
VVT	VIVANT CORPORATION	-	-	52,355	52,355	14	748,677	-	14.3000	-	52,355	14	748,677
WEB	PHILWEB CORPORATION	-	-	2,206,183	2,206,183	2	3,816,697	-	1.7300	-	2,206,183	2	3,816,697
WHI	WISE HOLDINGS INC.	-	2,422,374	-	2,422,374	1	2,422,374	-	1.0000	-	2,422,374	1	2,422,374
WHI-B	WISE HOLDINGS INC. - B	1,000	2,886	-	3,886	3	11,658	-	3.0000	-	3,886	3	11,658
WIN	WELLEX INDUSTRIESINCORPORATED	566	-	2,399,000	2,399,566	0	551,900	-	0.2300	-	2,399,566	0	551,900
WLCON	WILCON DEPOT INC.	-	-	1,680,200	1,680,200	21	35,116,180	(7,100)	20.9000	(148,390)	1,673,100	21	34,967,790
WPI	WATERFRONT PHILS. INC.	-	-	4,757,100	4,757,100	0	1,783,913	-	0.3750	-	4,757,100	0	1,783,913
X	XURPAS INC.	-	-	4,742,300	4,742,300	0	905,779	-	0.1910	-	4,742,300	0	905,779
ZHI	ZEUS HOLDINGS INC.	-	-	5,487,000	5,487,000	0	389,577	-	0.0710	-	5,487,000	0	389,577
		11,753,137	903,000,652	21,160,751,730	22,075,505,519		65,947,414,606	1,223,564		37,234,051	22,076,729,083		65,984,648,656