



PEREZ, SESE, VILLA & Co.
CERTIFIED PUBLIC ACCOUNTANTS

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)

FINANCIAL STATEMENTS
December 31, 2023 and 2022

and

Report of Independent Auditors

ANNUAL REPORT



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(02) 8 994-3984



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

ANNUAL AUDITED FINANCIAL REPORT

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

Name of Broker / Dealer: **SALISBURY SECURITIES CORPORATION**
(Formerly SALISBURY BKT SECURITIES CORPORATION)

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

IDENTIFICATION OF ACCOUNTANT

Name: MA. ALMA C. SESE Tel. No. 8994-3984
Fax No. _____

Certificate Number: 54588

PTR Number : 1533625 Date Issued: January 4, 2024

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
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DECEMBER 31, 2023

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Salisbury Securities Corporation

(Formerly Salisbury BKT Securities Corporation)

1806-1807, Philippine Stock Exchange Tower,

5th Avenue corner 28th Street, Bonifacio Global City, Taguig City, Philippines 1634

Telephone +632 8249 9418 to 19, Fax 02-7368 0676

www.salisburysecurities.com

Email: admin@salisburysecurities.com

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **SALISBURY SECURITIES CORPORATION (Formerly: Salisbury BKT Securities Corporation)** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

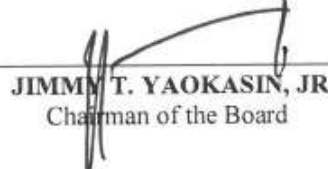
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

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

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

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


SIMON B. BAILEY
President


JIMMY T. YAOKASIN, JR
Chairman of the Board


ANNA CHRISTIE P. DIZON
Chief Financial Officer

April 12, 2024

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the Philippines, this APR 25 2024, affiants who are personally known to me and whose identity I have confirmed through their competent evidence of identity bearing the affiants photograph and signature.

NAMES

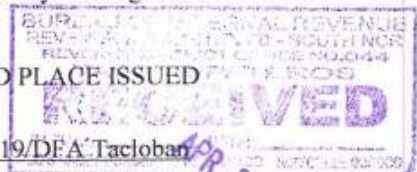
Jimmy T. Yaokasin, Jr.
Simon B. Bailey
Anna Christie P. Dizon

COMPETENT EVIDENCE OF IDENTITY

Passport-EB8649987
Passport-GBR628222746
Passport-P9071322B

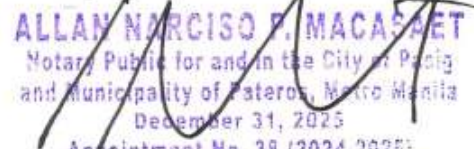
DATE AND PLACE ISSUED

June 23, 2019/DFA Tacloban
September 14, 2021/Jersey
February 24, 2022/DFA NCR Central




IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal in this APR 25 day of 2024.


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Book No. 119
Series of 2024



ALLAN NARCISO P. MACASIET
Notary Public for and in the City of Pasig
and Municipality of Pateros, Metro Manila
December 31, 2025
Appointment No. 38 (2024-2025)
16/F, Unit 1602 The Centerpoint Bldg.,
Julia Vargas Ave., Ortigas Center, Pasig City
IBP No. 328778-12/15 2023-RSM
PTR No. 0173852-01 03 2024-Pasig City
Roll No. 42475



PEREZ, SESE, VILLA & CO.
CERTIFIED PUBLIC ACCOUNTANTS

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SUPPLEMENTAL STATEMENT OF INDEPENDENT AUDITORS

**To the Board of Directors and Shareholders
SALISBURY SECURITIES CORPORATION**
(Formerly SALISBURY BKT SECURITIES CORPORATION)
1806-1807 PSE Tower, 5th Avenue corner
28th Street, Bonifacio Global City, Taguig City

We have audited the financial statements of **SALISBURY SECURITIES CORPORATION**
(Formerly SALISBURY BKT SECURITIES CORPORATION) for the year ended December 31,
2023, on which we have rendered the attached report dated April 12, 2024.

In compliance with the revised SRC Rule 68, we are stating that the Company has two (2)
shareholders owning one hundred (100) or more shares each of the Company's capital stock as of
December 31, 2023, as disclosed in Note 19 of the Financial Statements.

PEREZ, SESE, VILLA & CO.

BY: 
MA. ALMA C. SESE
MANAGING PARTNER

CPA License No. 0054588

Tax Identification No. 212-955-173-000

PTR No. 1533625, Issued on January 4, 2024, Manila City

SEC Accreditation No:

Partner – 54588-SEC Group B, issued on December 1, 2022,
valid for five (5) years covering the audit of 2022 to 2026 financial statements

Firm – 0222-SEC, Group B, Issued on December 1, 2022,
valid for five (5) years covering the audit of 2022 to 2026 financial statements

BIR Accreditation No. 04-003494-1-2024, issued on March 11, 2024,
valid for three (3) years until March 10, 2027

IC Accreditation No.

Partner -54588-IC, Group B, issued on December 3, 2020
valid for five (5) years covering the audit of 2020 to 2024 financial statements
Firm -0222-IC, Group B, issued on December 3, 2020
valid for five (5) years covering the audit of 2020 to 2024 financial statements

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

Manila, Philippines
April 12, 2024



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CERTIFIED PUBLIC ACCOUNTANTS

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REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES

**To the Board of Directors and Shareholders
SALISBURY SECURITIES CORPORATION**
(Formerly SALISBURY BKT SECURITIES CORPORATION)
1806-1807 PSE Tower, 5th Avenue corner
28th Street, Bonifacio Global City, Taguig City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of **SALISBURY SECURITIES CORPORATION** (Formerly SALISBURY BKT SECURITIES CORPORATION), for the year ended December 31, 2023 and have issued our report thereon dated April 12, 2024. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary schedule I-VIII, are the responsibility of the Company's management. These supplementary schedules are presented for the purpose of complying with the Revised Securities Regulation Code (SRC) Rule No. 68, and is not part of the basic financial statements. These supplementary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

PEREZ, SESE, VILLA & CO.

BY: 
MA. ALMA C. SESE
MANAGING PARTNER



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Manila, Philippines
April 12, 2024



REPORT OF INDEPENDENT AUDITORS

To the Board of Directors

SALISBURY SECURITIES CORPORATION

(Formerly SALISBURY BKT SECURITIES CORPORATION)

1806-1807 PSE Tower, 5th Avenue corner
28th Street, Bonifacio Global City, Taguig City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SALISBURY SECURITIES CORPORATION** *(Formerly SALISBURY BKT SECURITIES CORPORATION)*, (the Company), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

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

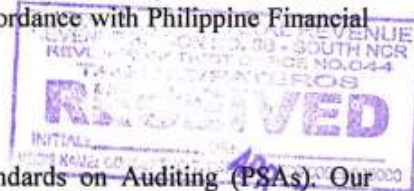
Basis for Opinion

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

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

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

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



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

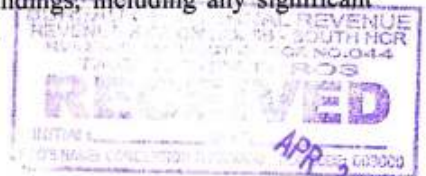
Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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



Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2023 required by the Bureau of Internal Revenue as disclosed in Note 32 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PEREZ, SESE, VILLA & CO.

BY: 
MA. ALMA C. SESE
MANAGING PARTNER

CPA License No. 0054588

Tax Identification No. 212-955-173-000

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Manila, Philippines

April 12, 2024



SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
STATEMENTS OF FINANCIAL POSITION
December 31, 2023 and 2022

		Notes	2023	Security Position (2023)		2022	Security Position (2022)	
				Long	Short		Long	Short
ASSETS								
Current Assets								
Cash	4.6	P	104,277,769	P	-	P	91,289,355	P
Financial asset at FVPL	4.7		996,273	996,273	-		613,553	-
Receivables from customers	4.5.8		49,511,123	58,710,910	-		694,883	-
Receivables from clearing house	4.9		-	-	-		454,160	-
Other receivables	4.10		30,869,757	-	-		41,438,212	-
Due from related parties	4.28		101,443,723	-	-		32,674,463	-
Prepayments and other current assets	4.11		4,104,484	-	-		127,180,137	-
							3,658,729	-
Total Current Assets			291,203,129	59,707,183	-		1,308,436	-
Non-Current Assets								
Property and equipment	4.5.12		45,439,382	-	-		-	-
Trading right	4.13		1,892,000	-	-		-	-
Deferred tax asset, net	4.27		19,729,962	-	-		1,892,000	-
Refundable deposits	4.14		8,672,833	-	-		12,296,533	-
							7,865,029	-
Total Non-Current Assets			75,734,177	-	-		-	-
TOTAL ASSETS			366,937,306	59,707,183	-		1,308,436	-
Securities in Vault, Transfer Office and Philippine Depository and Trust Corp.								
		P		P	P		P	P
				-	1,002,488,164		1,304,001,289	
LIABILITIES AND EQUITY								
Current Liabilities								
Payables to customers	4.15	P	25,919,984	P	942,780,981	P	42,740,960	P
Payables to clearing house	4.9		26,391,566	-	-		-	-
Other payables	4.16		9,773,387	-	-		2,359,732	-
Loans payable- current	4.18		17,062,900	-	-		5,636,854	-
Other current liabilities	4.17		1,673,129	-	-		1,753,020	-
Total Current Liabilities			80,821,366	942,780,981	-		1,302,692,853	-
Non-Current Liability								
Loans payable- non-current	4.18		31,693,394	-	-		-	-
Retirement benefit liability	4.26		5,337,051	-	-		-	-
Total Non-Current Liabilities			37,030,445	-	-		-	-
Total Liabilities			117,851,811	-	-		95,687,649	-
Equity								
Share Capital	4.19		301,000,000	-	-		301,000,000	-
Share Premium	4.19		50	-	-		50	-
Equity Reserves	4.19		3,144,544	-	-		2,612,339	-
Accumulated Deficits	4.19		(55,059,099)	-	-		(29,240,728)	-
Equity, net			249,085,495	-	-		274,371,661	-
TOTAL LIABILITIES AND EQUITY			366,937,306	1,002,488,164	1,002,488,164		1,304,001,289	1,304,001,289

(See accompanying Notes to Financial Statements)



SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)

STATEMENTS OF COMPREHENSIVE INCOME

For The Years Ended December 31, 2023 and 2022

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
INCOME			
Commission	4,20	P 175,484,966	P 181,180,582
Dividend income	4,7	27,619	24,092
Loss on sale of FVPL financial asset	4,7	(48,476)	(16,038)
Unrealized loss on FVPL financial asset	4,7	(26,806)	(120,742)
		<u>175,437,303</u>	<u>181,067,894</u>
DIRECT COSTS	4,21	<u>(193,928,128)</u>	<u>(193,507,974)</u>
GROSS INCOME (LOSS)		<u>(18,490,825)</u>	<u>(12,440,080)</u>
OTHER INCOME	4,22	494,181	511,927
OTHER LOSSES	4,23	(31,323)	(13,283)
OPERATING EXPENSES	4,24	(11,319,131)	(8,006,280)
FINANCE COSTS	4,18	<u>(4,082,103)</u>	<u>(3,963,084)</u>
NET LOSS BEFORE INCOME TAX		<u>(33,429,201)</u>	<u>(23,910,800)</u>
INCOME TAX EXPENSE (BENEFITS)	4,27		
Current		-	-
Deferred		<u>(7,610,830)</u>	<u>(6,037,948)</u>
		<u>(7,610,830)</u>	<u>(6,037,948)</u>
NET LOSS FOR THE YEAR		<u>(25,818,371)</u>	<u>(17,872,852)</u>
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit and loss	4,19,26		
Actuarial gain		709,607	-
Tax effect		<u>(177,402)</u>	<u>-</u>
		<u>532,205</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS		<u>P (25,286,166)</u>	<u>P (17,872,852)</u>

(See accompanying Notes to Financial Statements)



SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)

STATEMENTS OF CHANGES IN EQUITY

For The Years Ended December 31, 2023 and 2022

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
SHARE CAPITAL	4,19		
Balance at beginning of year		P 301,000,000	P 301,000,000
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Balance at end of year		<u>301,000,000</u>	<u>301,000,000</u>
SHARE PREMIUM	4,19		
Balance at beginning of year		50	50
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Balance at end of year		<u>50</u>	<u>50</u>
EQUITY RESERVES	4,19		
Balance at beginning of year		2,612,339	2,612,339
Other comprehensive income for the year		<u>532,205</u>	<u>-</u>
Balance at end of year		<u>3,144,544</u>	<u>2,612,339</u>
ACCUMULATED DEFICIT	4,19		
Unappropriated			
Balance at beginning of the year		(29,240,728)	(13,646,609)
Net income (loss) for the year		(25,818,371)	(17,872,852)
Reversal of appropriation		<u>-</u>	<u>2,278,733</u>
Balance at end of the year		<u>(55,059,099)</u>	<u>(29,240,728)</u>
Appropriated			
Balance at beginning of the year		<u>-</u>	2,278,733
Reversal of appropriation		<u>-</u>	<u>(2,278,733)</u>
Balance at end of the year		<u>-</u>	<u>-</u>
Total Deficit		<u>(55,059,099)</u>	<u>(29,240,728)</u>
EQUITY, net		<u>P 249,085,495</u>	<u>P 274,371,661</u>

(See accompanying Notes to Financial Statements)

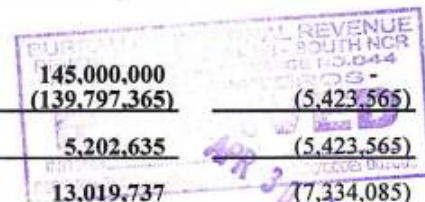


SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)

STATEMENTS OF CASH FLOWS
For The Years Ended December 31, 2023 and 2022

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss before tax		P (33,429,201)	P (23,910,800)
Adjustment to reconcile net loss to net cash provided by operating activities:			
Depreciation	4,5,12	5,257,757	6,322,847
Unrealized (gains) losses on financial asset at FVPL	4,7	26,806	120,742
Unrealized foreign exchange gain	4,22	31,323	(91,577)
Dividend income	4,7	(27,619)	(24,092)
Finance cost	4,18	4,082,103	3,963,084
Interest income	4,22	(359,423)	(293,369)
Operating loss before changes in working capital		(24,418,254)	(13,913,165)
Decrease (Increase) in:			
Financial asset at FVPL	4,7	(409,526)	(400,043)
Receivables from customers	4,5,8	(49,056,963)	160,532,329
Receivables from clearing house	4,9	41,438,212	(41,438,212)
Other receivables	4,10	1,804,706	(6,878,587)
Prepayments and other current assets	4,11	384,418	9,415,492
Increase (Decrease) in:			
Payables to customers	4,15	(16,820,976)	(85,584,001)
Payable to clearing house	4,9	26,391,966	(29,302,129)
Other payables	4,16	7,413,655	(4,730,831)
Other current liabilities	4,17	(79,891)	(1,123,485)
Retirement benefit liability	4,26	766,380	786,118
Cash provided by (used in) operating activities		(12,586,273)	(12,636,514)
Interest received	4,22	359,423	293,369
Dividend received	4,7	27,619	24,092
Interest expense paid	4,18	(4,082,103)	(3,963,084)
Income tax paid	4,27	(830,174)	(846,833)
Net cash used in operating activities		(17,111,508)	(17,128,970)
CASH FLOWS FROM INVESTING ACTIVITIES			
Collection of due from related parties	4,28	25,736,414	264,000,000
Additional refundable deposits	4,14	(807,804)	(1,089,894)
Acquisition of property and equipment	4,5,12	-	(756,470)
Advances to related parties	4,28	-	(246,935,186)
Net cash provided by investing activities		24,928,610	15,218,450
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans	4,18	145,000,000	-
Payment of loans	4,18	(139,797,365)	(5,423,565)
Net cash used in financing activities		5,202,635	(5,423,565)
NET INCREASE (DECREASE) IN CASH		13,019,737	(7,334,085)
EFFECT OF FOREIGN EXCHANGE GAINS (LOSSES)		(31,323)	91,577
CASH AT BEGINNING OF THE YEAR		91,289,355	98,531,863
CASH AT END OF THE YEAR		P 104,277,769	P 91,289,355

(See accompanying Notes to Financial Statements)



SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022

NOTE 1 - GENERAL INFORMATION

SALISBURY SECURITIES CORPORATION *(Formerly SALISBURY BKT SECURITIES CORPORATION)*, (the Company) was registered with the Philippine Securities and Exchange Commission under registration number 122818 on October 2, 1984. The Company is established primarily to create an institutional medium which will engage in and carry on the business of stock and bond brokerage and toward this end to buy and sell, for the account of others or for its own account, securities of all kinds and to engage in the business of effecting papers, of any person, partnership, association, syndicate, corporation or government body, agency or instrumentality, local or national, whether such securities or commercial papers be of domestic or foreign origin.

The Company is a wholly owned subsidiary of BKT Holdings, Inc., (the Parent Company), located at 1806-1807 PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City. The Parent Company is established primarily to purchase, subscribe for, or otherwise acquire and own, hold, use, invest, and all ways deal with personal and real property of every kind and descriptions, including shares of the capital stock of corporations, bonds, notes, evidence of indebtedness, and other securities, contracts or obligations of any corporation without however engaging in dealership in securities or real estate, or stock brokerage business or the business of an investment company.

On August 26, 2022, the Securities and Exchange Commission approved the amendment of the Company's name from Salisbury BKT Securities Corporation to Salisbury Securities Corporation.

The Company's registered office, which is also its principal place of business, is located at 1806-1807 PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City.

Approval of the Financial Statement

The financial statements of the Company for the year ended December 31, 2023 including its comparative figure for the year ended December 31, 2022 were approved and authorized for issue by the Board of Directors (BOD) on April 12, 2024.

NOTE 2 - BASIS OF PRESENTATION

Statement of Compliance

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

Basis of Preparation and Measurement

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

The financial statements are presented in Philippine Peso (Peso), the Company's functional currency. All values are rounded to the nearest Peso, unless otherwise stated.

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

NOTE 3 - ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new and amended PFRS which the Company adopted effective for annual periods beginning on or after January 1, 2023. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

- Amendments to PAS 1, *Presentation of Financial Statements*, and PFRS Practice Statement 2, *Making Materiality Judgments - Disclosure Initiative - Accounting Policies* – The amendments require an entity to disclose its material accounting policies, instead of its significant accounting policies and provide guidance on how an entity applies the concept of materiality in making decisions about accounting policy disclosures. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and its nature. The amendments clarify (1) that accounting policy information may be material because of its nature, even if the related amounts are immaterial, (2) that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements, and (3) if an entity discloses immaterial accounting policy information, such information should not obscure material accounting policy information. In addition, PFRS Practice Statement 2 is amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information.
- Amendments to PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* - *Definition of Accounting Estimates* – The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies, and the correction of errors. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". An entity develops an accounting

estimate if an accounting policy requires an item in the financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not a correction of an error, and that the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. A change in an accounting estimate may affect only the profit or loss in the current period, or the profit or loss of both the current and future periods.

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

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

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

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

- Amendments to PFRS 16, *Leases - Lease Liability in a Sale and Leaseback* – The amendments clarify that the liability that arises from a sale and leaseback transaction, that satisfies the requirements in PFRS 15, *Revenue from Contracts with Customers*, to be accounted for as a sale, is a lease liability to which PFRS 16 applies and give rise to a right-of-use asset. For the subsequent measurement, the seller-lessee shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying this subsequent measurement does not prevent the seller-lessee from recognizing any gain or loss relating to the partial or full termination of a lease. Any gain or loss relating to the partial or full termination of the lease does not relate to the right of use retained but to the right of use terminated. The amendments must be applied retrospectively. Earlier application is permitted.
- Amendments to PAS 1, *Noncurrent Liabilities with Covenants* – The amendments clarified that covenants to be complied with after the reporting date do not affect the classification

of debt as current or noncurrent at the reporting date. Instead, the amendments require the entity to disclose information about these covenants in the notes to the financial statements. The amendments must be applied retrospectively. Earlier application is permitted. If applied in earlier period, the Company shall also apply Amendments to PAS 1 - *Classification of Liabilities as Current or Noncurrent* for that period.

- *IFRIC Agenda Decision Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost) for the Real Estate Industry* – In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under paragraph 35(c) of International Financial Reporting Standards 15 (PFRS 15). IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of qualifying asset under PAS 23 considering that these inventories are ready for their intended sale in their current condition.

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

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

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

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

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

- *Amendments to PAS 21, The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability* – The amendments clarify when a currency is considered exchangeable into another currency and how an entity determines the exchange rate for currencies that lack exchangeability. The amendments also introduce new disclosure requirements to help users of financial statements assess the impact when a currency is not exchangeable. An entity does not apply the amendments retrospectively. Instead, an entity recognizes any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity. Earlier application is permitted.

- PFRS 17, *Insurance Contracts*– This standard will replace PFRS 4, *Insurance Contracts*. It requires insurance liabilities to be measured at current fulfillment value and provides a more uniform measurement and presentation approach to achieve consistent, principle-based accounting for all insurance contracts. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. An amendment to the standard was issued to (i) reduce costs of transition by simplifying some requirements of the standard, (ii) make financial performance easier to explain, and (iii) ease transition by deferring the effectivity of the standard from 2021 to 2023 and by providing additional relief to reduce the effort required when applying PFRS 17 for the first time.

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

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

Deferred effectivity -

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

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

NOTE 4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

Financial Instruments

Initial recognition and measurement

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

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

Classification

The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at FVPL, (b) financial assets at amortized cost and (c) financial assets at fair value through other comprehensive income (FVOCI). Financial liabilities, on the other hand, are classified as either financial liabilities at FVPL or financial liabilities at amortized cost. The classification of a financial instruments largely depends on the Company's business model and its contractual cash flow characteristics.

Financial Assets and Liabilities at FVPL

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

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

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

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

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

As at December 31, 2023 and 2022, the Company's financial asset at FVPL is presented in Note 7.

Financial Assets at Amortized Cost

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

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

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less allowance for credit losses, if any. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are derecognized and through amortization process.

As at December 31, 2023 and 2022, the Company's cash, receivables from customers, receivable from clearing house, other receivables, due from related parties and refundable deposits are classified under this category. (Notes 6, 8, 9, 10, 28 and 14)

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

Financial Assets at FVOCI.

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

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

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

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

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

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

As at December 31, 2023 and 2022, the Company does not have financial assets classified as FVOCI.

Financial Liabilities at Amortized Cost

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

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

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

As at December 31, 2023 and 2022, the Company's payable to customers, payable to clearing house, other payables and loans payable are classified under this category (Notes 15, 9, 16 and 18).

Reclassification

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

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

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

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

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at amortized cost, any gain or loss previously recognized in OCI shall be recognize in profit or loss.

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

Impairment of Financial Assets

The Company records an allowance for "expected credit loss" (ECL). ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The difference is then discounted at an approximation to the asset's original effective interest rate.

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

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

Derecognition of Financial Assets and Liabilities

Financial Assets

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

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

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

Financial Liabilities

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

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

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

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

Offsetting of Financial Assets and Liabilities

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

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations, without any deduction for transaction costs. Where the Company has financial assets and financial liabilities with offsetting positions in market risks or counterparty credit risk, it has elected to use the measurement exception to measure the fair value of its net risk exposure by applying the bid or ask price to the net open position as appropriate. For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities or a group of assets and liabilities), the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible) and the cost approach (i.e., based on the amount required to replace the service capacity of an asset).

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 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 Valuation techniques for which the lowest-level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 inputs are unobservable inputs the asset or liability.

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

The Company's management determines the policies and procedures for both recurring fair value measurement and non-recurring measurement. At each reporting date, the management analyzes the movements in the values of assets and liabilities which are required to be remeasured or reassessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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

"Day 1" Difference

Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a "Day 1" difference) in profit or loss unless it qualifies for recognition as some other type of asset. In cases where use is made of data which is not observable, the difference between the transaction price and model value is only recognized in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the "Day 1" difference.

Prepayments and Other Current Assets

Prepayments represent expenses not yet incurred but already paid in cash. Other current assets pertain to tax refund and input VAT. Prepayments and other current assets are stated in the statements of financial position at cost less any portion that has already been consumed or that has already expired.

Property and Equipment

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

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

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

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

Intangible Assets

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

Trading right is the result of the conversion plan to preserve the Company's access to the trading facilities and for it to continue to transact business at the PSE.

Trading right is initially measured at cost and are subsequently measured at cost less any accumulated impairment loss. The trading right is an intangible asset to be 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.

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

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

Impairment of Non- Financial Assets

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

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

Other Current Liabilities

Other current liabilities include government taxes payable and statutory payables. These are presented in the statement of financial position at undiscounted amounts.

Share Capital

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

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

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

Retained Earnings

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

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

Revenue

Revenue recognition

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

Revenue is recognized as follows:

Commission

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

Gain (loss) on financial assets at FVPL

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

Other Comprehensive Income

Other components of equity comprise of items of income and expense that are not recognized in profit or loss for the year. Other Comprehensive Income pertains to cumulative remeasurement gains (losses) on net retirement asset or liability.

Dividend income

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

Interest income

Interest income comprises interest income on bank deposits and interest charged on advances to officers and employees. Interest income is recognized in profit and loss as it accrues, using the effective interest method.

Other Income

Other income is recognized when earned.

Expenses

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

Direct costs

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

Operating expense

Operating expenses represent expenses such as professional fees, salaries and wages, directors' fees, and allowance, condominium dues, bank charges, depreciation, taxes and licenses, 13th month pay and other benefits, repairs and maintenance, employees' welfare, insurance, SSS, PHIC, HDMF and other contributions, advertising and promotions, fines and penalties, credit losses, subscription and periodicals, fringe benefit tax, documentary stamp tax and miscellaneous that cannot be associated directly to the services rendered.

Borrowing cost

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

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

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

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

Income Tax

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

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

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

Employee Benefits

Short-term benefits

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

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

Retirement Benefits

The Company does not have an established retirement plan and only conforms to the minimum regulatory benefit under the Retirement Pay Law (Republic Act No. 7641). The retirement benefit costs comprise of the service cost, net interest on the net defined benefit liability or asset and remeasurements of net defined benefit liability or asset.

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

Net interest on the net defined benefit liability or asset 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 liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, difference between return on plan assets and interest income (calculated as part of the net interest) and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income (loss) in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Related Parties

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

Leases

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

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

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

Company as Lessee

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

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

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

Foreign Currency Transaction

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

Provisions and contingencies

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

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

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

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

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

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

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

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

Subsequent events

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

NOTE 5 - SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

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

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

Judgment

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

Assessment of Impairment of Nonfinancial Assets

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

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

Estimates

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

Estimation of Allowance for Credit Losses

The measurement of the allowance for Credit Losses on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring Credit Losses is further detailed in Note 30.

Estimating useful lives of property and equipment

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

The following estimated useful lives are used for the depreciation of property and equipment:

Description	Useful Lives
Condominium unit and improvements	20 years
Furniture and fixtures	3-5 years
Computer systems and software	3-5 years
Transportation equipment	3 years

There were no changes in the estimated useful lives of the Company's property and equipment for the years ended December 31, 2023 and 2022.

Determination of Realizable Amount of Deferred Tax Assets

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at December 31, 2023 and 2022 will be fully utilized in the coming years. The carrying value of deferred tax assets as of those dates is disclosed in Note 27.

NOTE 6 - CASH

This account consists of:

	2023	2022
Cash on hand	P 18,100	P 55,706
Cash in banks	104,259,669	91,233,649
	<u>P 104,277,769</u>	<u>P 91,289,355</u>

Cash in banks generally earns interest at rates based on daily bank deposit rates. Finance income recognized in the Statements of Comprehensive Income amounted to P357,829 and P293,369 in 2023 and 2022, respectively (Note 22).

Included in 2023 Cash in banks is USD5,983 translated to Philippine Peso amounting to P332,443 at an exchange rate of P55.567 to a USD.

Included in 2022 Cash in banks is USD9,692 translated to Philippine Peso amounting to P543,927 at an exchange rate of P56.12 to a USD.

Unrealized gain (loss) on USD-denominated bank deposit amounts to a loss of P31,323 and a gain of P91,577 for the years ended December 31, 2023 and 2022, respectively (Note 22).

In compliance with Securities Regulation Code (SRC) Rule 49.2-1, the Company maintains a special reserve bank account with Rizal Commercial Banking Corporation amounting to P100,185,442 and P80,079,974 as at December 31, 2023 and 2022, respectively for the exclusive benefit of its customers. The Company's reserve requirement is determined on SEC's prescribed computations. As of December 31, 2023, and 2022, the Company's reserve accounts are adequate to cover its reserve requirements.

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

This account consists of:

	2023	2022
Equities outside PHISIX	P 450,395	P 281,567
Equities in PHISIX	545,878	331,986
	<u>P 996,273</u>	<u>P 613,553</u>

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

	2023	2022
Balance at beginning of year	P 613,553	P 334,252
Additions	426,226,821	51,989,886
Disposals	(425,817,295)	(51,589,843)
Fair value adjustments	(26,806)	(120,742)
Balance at end of year	<u>P 996,273</u>	<u>P 613,553</u>

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

The Company recognized loss on sale of FVPL financial assets amounting to ₱48,476 in 2023 and ₱16,038 in 2022. This is presented as separate line item in statements of comprehensive income.

The change in fair value of financial assets at fair value through profit or loss recognized and presented as part of unrealized gain (loss) on financial assets at FVPL, net, in the statements of comprehensive income amounted to a loss of ₱26,806 and a loss of ₱120,742 in 2023 and 2022, respectively.

Dividends earned on these investments amount to ₱27,619 and ₱24,092 as at December 31, 2023 and 2022, respectively. This is presented as separate line item in statements of comprehensive income.

NOTE 8 - RECEIVABLES FROM CUSTOMERS

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

	2023		2022	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
Cash accounts				
More than 250%	₱ 197,846	₱ 9,618,423	₱ 14,397	₱ 642,560
Between 200% to 250%	2,380	5,729	10,059	21,215
Between 150% to 200%	4,350	7,788	2,929	4,795
Between 100% to 150%	25,517,723	25,533,421	8,496	10,219
	25,722,299	35,165,361	35,881	678,789
Partially secured accounts				
Less than 100%	23,999,225	23,545,549	222,759	16,094
Unsecured accounts	7,392,445	-	7,801,059	-
	31,391,670	23,545,549	8,023,818	16,094
Less: Allowance for credit losses	(7,602,846)	-	(7,605,539)	-
	₱ 49,511,123	₱ 58,710,910	₱ 454,160	₱ 694,883

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

Allowance for credit losses on receivables from customers is computed using the formula provided by the SRC Rule No. 52.1.11 which forms part of the Risk-Based Capital Adequacy (RBCA) Report, see Note 30.

Movements in the allowance for credit losses follow:

	2023	2022
Balance at January 1	₱ 7,605,539	₱ 7,602,878
Credit losses	-	2,661
Recovery of allowance	(2,693)	-
Balance, December 31	₱ 7,602,846	₱ 7,605,539

NOTE 9 - RECEIVABLES FROM / PAYABLES TO CLEARING HOUSE

The net balance of this account as at December 31, 2023 and 2022 relates to the trading transactions made for the last two trading days in 2023 and last three trading days in 2022, which have not yet been cleared. The outstanding balance were net payable to clearing house amounting to ₱26,391,966 in 2023 and net receivable from clearing house amounting to ₱41,438,212 in 2022.

NOTE 10 - OTHER RECEIVABLES

This account consists of:

	2023	2022
Advances to officers and employees	₱ 30,590,050	₱ 32,449,443
Others	279,707	225,020
	<u>₱ 30,869,757</u>	<u>₱ 32,674,463</u>

Advances to officers and employees pertains to interest-bearing short-term salary loan of the officers with equal monthly amortizations deducted from salaries and transaction. Total interest earned from the advances amounted to ₱47,864 and ₱44,230 in 2023 and 2022, respectively, and are presented under Other Income in the statements of comprehensive income. (Note 22)

NOTE 11 - PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	2023	2022
Prepaid expenses	₱ 1,309,605	₱ 1,943,472
Prepaid income tax	2,545,431	1,715,257
Input VAT	241,136	-
Creditable withholding vat	8,312	-
	<u>₱ 4,104,484</u>	<u>₱ 3,658,729</u>

Details of prepaid expenses are as follows:

	2023	2022
Prepaid research fees	₱ 998,522	₱ 1,655,538
Prepaid taxes and licenses	249,849	226,724
Prepaid rent	39,600	39,600
Prepaid insurance	21,634	21,610
	<u>₱ 1,309,605</u>	<u>₱ 1,943,472</u>

Input VAT are VAT on purchases of goods and services and the current portion of deferred input vat on purchase of capital goods. These are creditable to VAT liability of the Company.

NOTE 12 - PROPERTY AND EQUIPMENT

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

2023

	Condominium and improvements	Furniture and Fixtures	Transportatio n Equipment	Computer systems and software	Total
Cost					
January 1, 2023	P 69,406,235	P 18,118,467	P 1,083,170	P 3,934,420	P 92,542,292
Additions	-	-	-	-	-
Disposal	-	-	-	-	-
December 31, 2023	P 69,406,235	P 18,118,467	P 1,083,170	P 3,934,420	P 92,542,292
Accumulated depreciation					
January 1, 2023	P 22,769,361	P 14,630,353	P 1,027,579	P 3,417,860	P 41,845,153
Depreciation	3,385,052	1,581,023	23,825	267,857	5,257,757
Disposals	-	-	-	-	-
December 31, 2023	P 26,154,413	P 16,211,376	P 1,051,404	P 3,685,717	P 47,102,910
Carrying amount					
December 31, 2022	P 46,636,874	P 3,488,114	P 55,591	P 516,560	P 50,697,139
Carrying amount					
December 31, 2023	P 43,251,822	P 1,907,091	P 31,766	P 248,703	P 45,439,382

2022

	Condominium and improvements	Furniture and Fixtures	Transportation Equipment	Computer systems and software	Total
Cost					
January 1, 2022	P 69,377,365	P 17,462,341	P 1,011,696	P 3,934,420	P 91,785,822
Additions	28,870	656,126	71,474	-	756,470
Disposal	-	-	-	-	-
December 31, 2022	P 69,406,235	P 18,118,467	P 1,083,170	P 3,934,420	P 92,542,292
Accumulated depreciation					
January 1, 2022	P 19,385,651	P 11,974,956	P 1,011,696	P 3,150,003	P 35,522,306
Depreciation	3,383,710	2,655,397	15,883	267,857	6,322,847
Disposals	-	-	-	-	-
December 31, 2022	P 22,769,361	P 14,630,353	P 1,027,579	P 3,417,860	P 41,845,153
Carrying amount					
December 31, 2021	P 49,991,714	P 5,487,385	P -	P 784,417	P 56,263,516
Carrying amount					
December 31, 2022	P 46,636,874	P 3,488,114	P 55,591	P 516,560	P 50,697,139

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

The Company has pledged its condominium having a carrying amount of P43,251,822 and P46,636,874 as at December 31, 2023 and 2022, respectively to secure loan (Note 18).

The amount of depreciation is presented in the statements of comprehensive income under direct costs and operating expenses (Notes 21 and 24).

NOTE 13 - TRADING RIGHT

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

On August 8, 2001, due to conversion of Philippine Stock Exchange (PSE) into a stock corporation, the Company, as its member, received 50,000 shares of stock of PSE with par value of ₱1 per share or a total value of ₱50,000, but with a book value of ₱160 per share or a total book value of ₱8,000,000 as determined at that time of demutualization of PSE. Moreover, the Company has retained its trading in the PSE with acquisition cost of ₱4,300,000. As part of the said demutualization, the PSE has approved the trading of the said share acquired by its stockholders; hence the Company has been allowed to sell its PSE shares of stock.

In 2003, the PSE seat was split into Marketable Securities and Trading Rights amounting to ₱2,408,000 and ₱1,892,000 respectively, in accordance with PSE Memo No. 2004-065. During the same year, the Company sold the Marketable Securities portion of its PSE shares of stock or 22,900 shares.

The carrying value for trading right amounted to ₱1,892,000 as at December 31, 2023 and 2022. The last transacted price for the sale of trading right in the PSE was Eight Million Pesos (₱8,000,000) as approved by the PSE Board of Directors on November 16, 2022. Considering that the market value is significantly higher than the carrying amount, no impairment loss shall be recognized for this account.

The movement in the trading right is summarized below:

	2023	2022
Balance at beginning of year	₱ 1,892,000	₱ 1,892,000
Additions	-	-
Disposals	-	-
Balance at end of year	<u>₱ 1,892,000</u>	<u>₱ 1,892,000</u>

NOTE 14 - REFUNDABLE DEPOSITS

This account consists of:

	2023	2022
Rental deposits (Note 29)	₱ 45,990	₱ 205,990
Clearing and Trade Guaranty Fund	7,290,236	6,322,432
Deposit to supplier	1,336,607	1,336,607
	<u>₱ 8,672,833</u>	<u>₱ 7,865,029</u>

Rental deposits pertain to deposits for rental which is refundable at the end of the respective agreements. (Note 29)

Clearing and Trade Guaranty Fund (CTGF) which is intended to cover failed trades due to member's liquidity and/or solvency. This is refundable upon cessation of the Company's business and/or termination of Company's membership with SCCP.

Deposit to suppliers refers to various deposits made by Company to service providers.

NOTE 15 - PAYABLES TO CUSTOMERS

The payables to customers and its security valuation follow:

	2023		2022	
	Credit Balance	Security Valuation-Long	Credit Balance	Security Valuation-Long
With money balance	P 25,919,984	P 213,772,927	P 42,740,960	P 282,011,019
Without money balance	-	729,008,054	-	1,020,681,834
	<u>P 25,919,984</u>	<u>P 942,780,981</u>	<u>P 42,740,960</u>	<u>P 1,302,692,853</u>

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

NOTE 16 - OTHER PAYABLES

This account consists of:

	2023	2022
Accrued expenses	P 9,365,824	P 1,952,252
Dividends payable	2,084	2,084
Miscellaneous payable	405,479	405,396
	<u>P 9,773,387</u>	<u>P 2,359,732</u>

Details of accrued expenses are as follows:

	2023	2022
Marketing fees	P 5,162,804	P 130,884
Central depository fees	587,946	509,417
Stock exchange fees	528,321	459,183
Research fees	414,749	362,268
Rent expense	228,654	-
Interest expense	218,824	99,103
Professional fees	184,000	184,000
Utilities	78,908	6,536
Travel expense	19,560	-
Others	1,942,058	200,861
	<u>P 9,365,824</u>	<u>P 1,952,252</u>

Miscellaneous payables pertain to reversal of staled checks of customers.

NOTE 17 - OTHER CURRENT LIABILITIES

This account consists of:

	2023	2022
VAT payable	P 1,076,996	P 837,697
Stock transaction tax	337,446	752,555
Withholding tax on compensation	206,111	133,324
Expanded withholding tax	52,576	29,444
Statutory payables	-	-
	<u>P 1,673,129</u>	<u>P 1,753,020</u>

NOTE 18 - LOANS PAYABLE

Outstanding balances of the Company's loans payable are as follows:

	2023	2022
Current portion	P 17,062,900	P 5,636,854
Non-current portion	31,693,394	37,916,805
	<u>P 48,756,294</u>	<u>P 43,553,659</u>

Movements in the loans payable follow:

	2023	2022
Balance, January 1	P 43,553,659	P 48,977,224
Proceeds	145,000,000	-
Payments	(139,797,365)	(5,423,565)
Balance, December 31	<u>P 48,756,294</u>	<u>P 43,553,659</u>

In March 2017, the Company entered into loan agreement with BDO Unibank Inc. for 12 years which bears annual interest ranging from 4.88% - 7.99%. The interest is payable monthly starting March 2017 while the principal is payable monthly starting on March 2022. The loan is secured by the Company's condominium units with a carrying amount of P43,251,822 and P46,636,874 as at December 31, 2023 and 2022, respectively (Note 12).

In 2023, the Company entered into a loan agreement of various dates with Rizal Commercial Banking Corporation (RCBC) with an interest of 7.75% and has a term of thirty one (31) days.

Total interest expense charged to operations for the above loan amounted to P4,082,103 and P3,963,084 in 2023 and 2022, respectively, and is presented under Finance Cost in the statements of comprehensive income.

NOTE 19 - EQUITY

Share Capital

The Company is authorized to issue Four Million Three Hundred Thousand (4,300,000) ordinary shares with par value of seventy pesos (P 70) per share.

As at December 31, 2023 and 2022, the Company has two (2) shareholders owning more than 100 shares of the Company's capital stock.

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

2023	No. of Shares	Amount
Outstanding 12/31/2022	4,300,000	P 301,000,000
Issuance	-	-
Reacquisition	-	-
Outstanding 12/31/2023	<u>4,300,000</u>	<u>P 301,000,000</u>

2022

	No. of Shares	Amount
Outstanding 12/31/2021	4,300,000	₱ 301,000,000
Issuance	-	-
Reacquisition	-	-
Outstanding 12/31/2022	4,300,000	₱ 301,000,000

Minimum Capital Requirement

In a meeting held on October 21, 2010, the SEC issued Resolution No. 489 and 492 granting the deferment of the ₱30,000,000 unimpaired paid-in capital requirement of Trading Participants effective January 1, 2011 until November 30, 2011 provided that Trading Participants with Unimpaired Paid-up Capital falling below ₱30,000,000 shall post a surety bond amounting to ₱30,000,000 on top of the surety bond of ₱12,000,000 in compliance with SRC Rule 28.1 for the same period until securities held and controlled by the Trading Participant shall be recorded under the name of the individual clients in the books of the Transfer Agent or in the sub-account with the Philippine Depository and Trust Corporation at the option of the client. Compliance with the requirement is a condition for the renewal of the Broker Dealer license for the period covering January 1, 2011 to December 31, 2013.

In compliance with Section 2 of D, Article VII of the amended Market Regulation Rules, which was approved by the Securities and Exchange Commission on September 8, 2009, effective November 1, 2009, the surety bond, shall be Ten Million Pesos (₱ 10,000,000) for Brokers and Two Million Pesos (₱ 2,000,000) for Dealers.

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

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

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

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

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

A. RBCA ratio of greater than or equal to 1.1;

As at December 31, 2022 and 2021, the Company's RBCA ratio of 1.35 and 1.30, respectively, is in compliance with the minimum capital requirement set out by the RBCA framework.

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

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

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

The Company's NLC amount to ₱72,591,817 and ₱77,359,535 as at December 31, 2023 and 2022, respectively, which is more than 5% of the Company's aggregate indebtedness. As at December 31, 2023 and 2022, the Company is in compliant with items A to D as prescribed by Securities and Exchange Commission (SEC).

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

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

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

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

Equity Reserves

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

	2023	2022
Balance at beginning of year	₱ 2,612,339	₱ 2,612,339
Actuarial gain (loss)	709,607	-
Tax expense	(177,402)	-
Other comprehensive income after tax	532,205	-
Adjustment of taxes of prior period (Note 26)	-	-
Balance at end of year	₱ 532,205	₱ 2,612,339

Accumulated Deficit

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

Due to continuous losses suffered by the Company, wherein its profit after tax of prior years has been totally exhausted and accumulated deficits as of December 31, 2023 and 2022 amounts to

₱55,059,099 and ₱29,240,728 respectively, the appropriation of ₱2,278,733 from prior years was reversed in 2022.

NOTE 20 - COMMISSION REVENUES

The Company has recognized commission revenue through stocks transaction of ₱175,484,966 and ₱181,180,582 in 2023 and 2022 respectively.

NOTE 21 - DIRECT COSTS

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

	2023	2022
Marketing Fee	₱ 133,487,829	₱ 135,914,096
Research fee	22,824,846	20,004,542
Salaries and wages	13,668,396	13,653,566
Stock exchange dues	9,682,938	9,100,737
Depreciation (Note 12)	4,670,316	5,735,407
13th month pay and other benefits	2,253,455	1,591,423
Transportation and travel	1,116,068	1,431,479
Rent (Note 28)	858,701	822,700
Communication expense	771,023	798,342
Retirement expense (Note 25)	766,380	786,118
SSS PHIC HDMF and other contributions	833,296	695,203
Central depository fee	647,443	613,591
Utilities	633,552	661,701
Employees' welfare	368,570	377,231
Terminal fee	647,523	415,160
Office Supplies	254,871	288,452
Representation expense	235,568	347,589
Meetings and conferences	95,155	79,560
PSE and PASBDI membership fees	54,000	52,000
Photocopies	32,443	47,207
Settlement cost	25,755	91,870
	<u>₱ 193,928,128</u>	<u>₱ 193,507,974</u>

NOTE 22 - OTHER INCOME

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

	2023	2022
Interest income (Note 6 and 10)	₱ 407,287	₱ 337,600
Unrealized foreign exchange gain (loss) (Note 6)	-	91,577
Processing fee	84,200	82,750
Recovery of allowance for credit losses	2,694	-
	<u>₱ 494,181</u>	<u>₱ 511,927</u>

Interest income consists of interest income from bank deposits and interest charged to advances to employees and officers amounting to ₱357,829 and ₱47,864 in 2023 and ₱293,369 and ₱44,231 in 2023 and 2022, respectively.

NOTE 23 - OTHER LOSSES

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

	2023	2022
Unrealized foreign exchange loss	P 31,323	P -
Realized foreign exchange loss	-	13,283
	<u>P 31,323</u>	<u>P 13,283</u>

NOTE 24 - OPERATING EXPENSES

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

	2023	2022
Fines and penalties	P 3,283,065	P 3,129
Salaries and wages	1,969,082	1,871,951
Taxes and licenses	1,338,754	599,678
Condominium dues	1,083,267	1,083,267
Bank charges	965,134	838,185
Repairs and maintenance	651,752	791,009
Depreciation (Note 12)	587,440	587,440
Professional fees	488,354	1,469,120
13th month pay and other benefits	430,444	218,137
SSS PHIC HDMF and other contributions	199,132	164,794
Insurance	113,896	113,461
Employees' welfare	100,791	113,350
Subscription and periodicals	20,034	25,223
Gas and oil	6,798	3,960
Directors' fees and allowance	-	105,263
Credit losses	-	2,661
Advertising and promotions	-	1,634
Miscellaneous expense	81,188	14,018
	<u>P 11,319,131</u>	<u>P 8,006,280</u>

NOTE 25 - DEPRECIATION, EMPLOYEE BENEFITS AND RENT

Depreciation, employee benefits and rent are presented as follows:

2023

	Direct Costs	Operating Expenses	Total
Depreciation	P 4,670,316	P 587,440	P 5,257,756
Employee benefits*	17,890,097	2,699,449	20,589,546
Rent	<u>858,701</u>	<u>-</u>	<u>858,701</u>

*Employee benefits includes salaries and wages, 13th month pay and other benefits, employees' welfare, SSS PHIC HDMF and other contributions and retirement expense

2022

	Direct Costs	Operating Expenses	Total
Depreciation	P 5,735,407	P 587,440	P 6,322,847
Employee benefits*	17,202,082	2,269,690	19,471,772
Rent	822,700	-	822,700

*Employee benefits includes salaries and wages, 13th month pay and other benefits, employees' welfare, SSS PHIC HDMF and other contributions and retirement expense

NOTE 26 - EMPLOYEE'S COMPENSATION AND OTHER BENEFITS

Salaries and Employee Benefits Expense

Details of salaries and employee benefits are presented below (Notes 21 and 24).

	2023	2022
Salaries and wages	P 15,637,478	P 15,525,517
13th month pay and other benefits	2,683,899	1,711,018
SSS PHIC HDMF and other contributions	1,032,428	859,997
Retirement expense	766,380	786,118
Employees' welfare	469,361	589,122
	<u>P 20,589,546</u>	<u>P 19,471,772</u>

Post-employment Defined Benefit Plan

(a) Characteristics of the Defined Benefit Plan

The Company does not have a formal retirement plan for its employees. Thus, it conducts its assessment of the materiality of its retirement cost and retirement liability on the basis of RA 7641. The Company provides a retirement equal to 22.5 days' pay for every year of credited service. The regulatory benefit is paid in lump sum upon retirement.

(b) Explanation of Amounts Presented in the Financial Statements

Actuarial valuations are made annually to update the retirement benefit costs and the amount of contributions. All amounts presented below and in the succeeding pages are based on the actuarial valuation report obtained from an independent actuary in 2021.

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

	2023	2022
Present value of the obligation	P 5,337,051	P 5,280,278
Fair value of plan assets	-	-
	<u>P 5,337,051</u>	<u>P 5,280,278</u>

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

	2023	2022
Balance at beginning of year	P 5,280,278	P 4,494,160
Current service cost	497,614	557,365
Interest expense	268,766	228,753
Remeasurements:		
Actuarial losses (gains) arising from:		
Changes in financial assumptions	(266,913)	-
Experience adjustments	(423,591)	-
Changes in demographic	(19,103)	-
Benefits paid	-	-
Balance at end of year	P 5,337,051	P 5,280,278

The Company does not have a formal retirement plan and therefore has no plan assets.

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

	2023	2022
<i>Reported in profit or loss:</i>		
Current service cost	P 497,614	P 557,365
Net interest expense	268,766	228,753
	P 766,380	P 786,118
<i>Reported in other comprehensive income:</i>		
Actuarial losses (gains) arising from changes in:	-	-
Financial assumptions	P (266,913)	P -
Experience adjustments	(423,591)	-
Demographic assumptions	(19,103)	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
	P (709,607)	P -

Current service cost and net interest expense is presented in the statements of comprehensive income as retirement expense under direct costs.

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

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

	2023	2022
Discount Rates	6.08%	5.09%
Future Salary Increase Rates	3.00%	3.00%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the age of 60 is 8.0.

The valuation results are based on the employees' data as of the valuation dates as provided by the Company. The discount rate assumption is based on the PDEx (PDST-R2) benchmark yields on government bonds as of the valuation dates (or latest available) considering the average years of remaining working life of the employees as the estimated term of the benefit obligation.

(c) *Risks Associated with the Retirement Plan*

The Company does not maintain a fund for its retirement obligation. While funding is not a requirement of law, there is a risk that the Company may not have the cash if several employees retire within the same year.

(d) *Other Information*

The information on the sensitivity analysis for certain significant actuarial assumptions, the Company's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are described below and in the succeeding pages.

(i) *Sensitivity Analysis*

The table below summarizes the effects of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation as at December 31, 2022:

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at December 31.

	Impact on Post-employment Benefit Obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
<u>December 31, 2023</u>			
Discount rate	100 basis points	₱ (245,485)	₱ 269,745
Salary growth rate	100 basis points	275,411	(254,848)
	Impact on Post-employment Benefit Obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
<u>December 31, 2022</u>			
Discount rate	100 basis points	₱ (273,694)	₱ 273,694
Salary growth rate	100 basis points	562,776	(562,776)

Each Sensitivity Analysis on the significant actuarial assumptions was prepared by remeasuring the DBO at the balance sheet date after first adjusting one of the current assumptions according to the applicable sensitivity increment or decrement (based on changes in the relevant assumption that were reasonably possible at the valuation date) while all other assumptions remained unchanged. The sensitivities were expressed as the corresponding change in DBO.

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which changes other than those assumed may be deemed to be more reasonable.

The methods and types of assumptions used in preparing the sensitivity analysis did not change.

(ii) *Asset-liability Matching Strategies*

The Company does not have a formal retirement plan and therefore has no plan assets to match against the liabilities under the Retirement Obligation.

(iii) *Funding Arrangements and Expected Contributions*

Since the Company does not have a formal retirement plan, benefit claims under the Retirement Obligation are paid directly by the Company when they become due.

The maturity profile of undiscounted expected benefit payments from the plan follows:

	2023	2022
Within one year	P -	P -
More than one year to five years	6,538,114	1,834,088
More than five years to ten years	946,708	5,853,638
More than ten years to 15 years	-	-
More than 15 years to 20 years	-	-
More than 20 years	-	-
	<u>P 7,484,822</u>	<u>P 7,687,726</u>

The weighted average duration of the defined benefit obligation at the end of the reporting period is seven (7) years.

NOTE 27 - INCOME TAXES

Income tax expense (benefit) for the years ended December 31, 2023 and 2022 consists of:

	2023	2022
Deferred tax expense (income) arising from:		
Temporary differences	P (7,610,830)	P (6,037,948)
Income tax benefit	P (7,610,830)	P (6,037,948)

Reconciliation between statutory tax and effective tax follows:

	2023	2022
Income tax at statutory rate	P (8,357,300)	P (5,977,700)
Tax effect income subject to final tax	(89,856)	(73,342)
Tax effect of non-deductible interest expense	22,465	18,336
Tax effect of non-deductible fines and penalties	820,766	781
Tax effect of dividend income	(6,905)	(6,023)
Effective income tax	<u>P (7,610,830)</u>	<u>P (6,037,948)</u>

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

	2023	2022
Regular Corporate Income Tax:		
Net income (loss) before tax	P (33,429,201)	P (23,910,800)
Permanent Differences:		
Interest income subject to final tax	(359,423)	(293,369)
Non-deductible interest expense	89,856	73,342
Non-deductible fines & penalties	3,283,065	3,129
Dividends	(27,619)	(24,092)
Temporary Differences:		
Unrealized gain on marketable securities	26,806	120,742
Reversal of last year's unrealized gain on marketable securities	(120,742)	50,261
Unrealized foreign exchange (gain) loss	31,323	(91,577)

Reversal of last year's unrealized foreign exchange gain (loss)	91,577	24,103
Provision (recovery) of allowance for credit losses	(2,694)	2,661
Retirement benefit expense	766,380	786,118
Taxable income	(29,650,672)	(23,259,482)
Tax rate	25%	25%
	<u>P (7,412,668)</u>	<u>P (5,814,871)</u>

Minimum Corporate Income Tax:

Gross income	P (18,267,995)	P (12,155,371)
Tax rate	1.5%	1%
	<u>P (274,020)</u>	<u>P (121,554)</u>

Tax due (Higher of RCIT and MCIT)

Less: Tax credits		
Prior year excess credits	(1,715,257)	(868,424)
1 st to 3 rd Quarterly income tax payment	-	-
Creditable withholding tax	(830,174)	(846,833)
Prepaid income tax	<u>P (2,545,431)</u>	<u>P (1,715,257)</u>

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

Statements of Comprehensive Income

	Statements of Financial Position		Profit or Loss		Other Comprehensive Income	
	2023	2022	2023	2022	2023	2022
Credit Losses	P 1,900,712	P 1,901,385	P (673)	P 665	P -	P -
Retirement benefit obligation	1,334,263	1,320,069	191,595	196,529	(177,401)	-
NOLCO	16,435,994	9,023,326	7,412,668	5,814,871	-	-
MCIT	44,461	44,461	-	-	-	-
Unrealized (gain) loss on FVPL	6,702	30,186	(23,484)	42,751	-	-
Unrealized foreign currency (gain) loss	7,830	(22,894)	30,724	(16,868)	-	-
Net deferred tax assets	<u>P 19,729,962</u>	<u>P 12,296,533</u>				
Deferred tax expense (income)			<u>P 7,610,830</u>	<u>P 6,037,948</u>	<u>P (177,401)</u>	<u>P -</u>

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

Details of Company's NOLCO which can be claimed as deductions against future taxable income for three (3) consecutive taxable years are as follows:

Year Incurred	Date of Expiration	Amount	Applied	Expired	Balance (NOLCO)
2023	2026	P 29,650,672	P -	P -	P 29,650,672
2022	2025	23,259,482	-	-	23,259,482
		P 52,910,154	P -	P -	P 52,910,154

Details of Company's NOLCO which can be claimed as deductions against future taxable income for five (5) consecutive taxable years in reference to RR 25 - 2020 are as follows:

Year Incurred	Date of Expiration	Amount	Applied	Expired	Balance (NOLCO)
2021	2026	P 12,833,818	P -	P -	P 12,833,818

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

Details of MCIT follows:

Year Incurred	Amount	Expired	Balance	Date of Expiration
2021	P 44,461	P -	P 44,461	December 31, 2024

NOTE 28 - RELATED PARTY TRANSACTIONS

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

2023

Nature of Relationship	Nature of Transaction	Amount (current transaction)	Outstanding balance	Terms	Conditions
Shareholders and officers	Advances Payment of advances	P - (25,736,414)	P 101,443,723	(1)	(3)

- (1) Non-interest bearing, payable in cash, no scheduled repayments terms
(2) Interest bearing, payable in cash, no scheduled repayments terms
(3) Unsecured

2022

Nature of Relationship	Nature of Transaction	Amount (current transaction)	Outstanding balance	Terms	Conditions
Shareholders and officers	Advances Payment of advances	P 246,935,186 (264,000,000)	P 127,180,137	(1)	(3)

- (1) Non-interest bearing, payable in cash, no scheduled repayments terms
(2) Interest bearing, payable in cash, no scheduled repayments terms
(3) Unsecured

None of the Company's outstanding balances with related parties has indications of impairment. Hence, no impairment losses were recognized in both years (Note 30).

Cash Advances

The Company grants and obtains cash advances from shareholders for working capital purposes of the parties. Outstanding balance of this advances are presented as due from related parties under other receivables account in the statements of financial position.

The Company grants advances to officers in a form of salary loan. Outstanding balance of this advances are presented as advances to officer under other receivables account in the statements of financial position.

Key Management Compensation

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

	2023	2022
Short-term employee benefits	₱ 11,661,458	₱ 10,826,651
Post employee benefits	628,502	589,589
	<u>₱ 12,289,960</u>	<u>₱ 11,416,240</u>

NOTE 29 - LEASE AGREEMENTS

The Company entered into lease agreements as lessee with an individual for parking spaces in Taguig City. The lease term is for a period of one (1) year commencing on January 1 to December 31, 2023.

The agreements provide for payment of rental deposits recognized in the statements of financial position, as part of refundable deposits, amounting to ₱45,990 and ₱205,990 in 2023 and 2022, respectively as disclosed in Note 14.

Lease Payments Not Recognized as Liabilities

The Company has elected not to recognize a lease liability for short-term leases or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

The expenses relating short-term lease amounted to ₱858,701 and ₱822,700 in 2023 and 2022, respectively and is presented as Rent under Direct Costs in the statement of comprehensive income (Note 20).

NOTE 30 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's business activities. The Company, through its training and

management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

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

Market Risk

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

A. Foreign Currency Risk

The Company's exposure to the risk for changes in foreign exchange rates relates primarily to the Company's dollar denominated deposits. As at December 31, 2023 and 2022, the Company's dollar denominated deposits amounted to ₱332,443 and ₱543,927, respectively (Note 6).

As at December 31, 2023 and 2022, the management determined that the Company's to foreign currency risk is insignificant, however, to mitigate exposure, the Company monitors its dollar deposit.

B. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. At December 31, 2023 and 2022, the Company is exposed to changes in market interest rates through its cash in banks which are subject to variable interest rates (Note 6). The Company's exposure to changes in interest rates is not significant. All other financial assets and liabilities have fixed rates.

C. Price Risk

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

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

Observed Volatility Rates	2023		2022	
	+14.00%	-14.00%	+21.00%	-21.00%
Profit before tax	₱ 4,356	₱ (4,356)	₱ 25,356	₱ (25,356)

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

Credit Risk

The Company's exposure to credit risk arises mainly from transactions with its customers. The maximum exposure to credit on these transactions is equal to the carrying amount of these financial instruments. Customers are subject to stringent financial, credit and legal verification process. In addition, trade receivable balances are monitored on an ongoing basis to ensure timely collections.

With respect to credit risk arising from other financial assets of the Company, which comprise cash

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

The tables below show the credit quality per class of financial asset and an aging analysis of past due but not impaired accounts as at December 31, 2023 and 2022.

Credit Quality per Class of Financial Asset

2023

	High Grade	Neither Past Due nor Impaired Standard Grade	Substandard Grade	Past Due but not impaired	Impaired	Total
Cash in banks	P 104,259,669	P -	P -	P -	P -	P 104,259,669
Receivables from customers	-	49,511,123	-	7,602,846	-	57,113,969
Other receivables	30,869,257	-	-	-	-	30,869,257
Due from related parties	101,443,723	-	-	-	-	101,443,723
Refundable deposits	8,672,833	-	-	-	-	8,672,833
	<u>P 245,245,482</u>	<u>P 49,511,123</u>	<u>P -</u>	<u>P 7,602,846</u>	<u>P -</u>	<u>P 302,359,451</u>

2022

	High Grade	Neither Past Due nor Impaired Standard Grade	Substandard Grade	Past Due but not impaired	Impaired	Total
Cash in banks	P 91,233,649	P -	P -	P -	P -	P 91,233,649
Receivables from customers	-	454,160	-	7,605,539	-	8,059,699
Receivables from clearing house	41,438,212	-	-	-	-	41,438,212
Other receivables	32,674,463	-	-	-	-	32,674,463
Due from related parties	127,180,137	-	-	-	-	127,180,137
Refundable deposits	7,865,029	-	-	-	-	7,865,029
	<u>P 300,391,490</u>	<u>P 454,160</u>	<u>P -</u>	<u>P 7,605,539</u>	<u>P -</u>	<u>P 308,451,189</u>

The credit quality of the financial assets is managed by the Company using the internal credit quality ratings. High grade accounts consist of receivables from debtors with good financial condition and with relatively low defaults. Financial assets having risks of default but are still collectible are considered standard grade accounts. Receivables that are still collectible but require persistent effort from the Company to collect are considered substandard grade accounts.

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

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

2023 (Based on the New RBCA Template)

	Balance	Collateral (net of haircut)	Counterparty exposure (after collateral)	Allowance for credit losses	Net exposure
T to T+1 of counterparty	P 49,476,149	P 42,022,123	P 7,454,026	P -	P 7,453,846
T+2 to T+12 of counterparty	-	-	-	-	-
T+13 to T+30 of counterparty	-	-	-	-	-
Beyond T+31 of counterparty	7,637,820	1,388,249	6,249,571	7,602,846	-
	<u>P 57,113,969</u>	<u>P 43,410,373</u>	<u>P 13,703,597</u>	<u>P 7,602,846</u>	<u>P 7,453,846</u>

2022

	Balance	Collateral (net of haircut)	Counterparty exposure (after collateral)	Allowance for credit losses	Net exposure
T to T+2 of counterparty	P 420,769	P 27,040	P 393,729	P -	P 393,729
T+3 to T+13 of counterparty	-	-	-	-	-
Beyond T+13 of counterparty	7,638,930	434,225	7,204,705	7,605,539	-
	<u>P 8,059,699</u>	<u>P 461,265</u>	<u>P 7,598,434</u>	<u>P 7,605,539</u>	<u>P 393,729</u>

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

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

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

	2023	2022
Cash in banks	P 104,259,669	P 91,233,649
Receivables from customers	57,113,969	8,059,699
Receivable from clearing house	-	41,438,212
Other receivables	30,869,757	32,674,463
Due from related parties	101,443,723	127,180,137
Refundable deposits	8,672,833	7,865,029
	<u>P 302,359,951</u>	<u>P 308,451,189</u>

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

(a) Cash

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

(b) Receivables from Customers

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

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

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

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

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

Classification

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

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

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

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

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

Classification

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

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

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

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

(c) Receivable from Clearing House

The credit risk for receivable from clearing house is considered negligible, the amount due were collected within the T+2 term of the receivable. Securities Clearing Corporation of the Philippines (SCCP) is a wholly-owned subsidiary of The Philippine Stock Exchange, Inc. (PSE) and is under the regulatory supervision of the Securities and Exchange Commission (SEC).

(d) Other Receivables, Due from Related Parties and Refundable Deposits

The loss allowance is to be determined using the general approach. The amount of ECL is not significant due to the fact that the collectability of contractual cash flows expected from these financial instruments is reasonably assured.

Liquidity Risk

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

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

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits and short-term placements. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

Company's payable to customers are normally settled within three (2) days in 2023 and within three (3) days in 2022. Other payables are normally settled within one (1) year after reporting date.

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

	December 31, 2023				
	Within 3 months	3 months to 6 months	6 months to 1 year	1 to 3 years	Total
Payable to customers	P 25,919,984	P -	P -	P -	P 25,919,984
Payable to clearing house	26,391,966	-	-	-	26,391,966
Other payables	9,773,387	-	-	-	9,773,387
Loans payable	13,470,156	2,207,203	4,414,407	37,522,457	57,614,223
	<u>P 75,555,493</u>	<u>P 2,207,203</u>	<u>P 4,414,407</u>	<u>P 37,522,457</u>	<u>P 119,699,560</u>
	December 31, 2022				
	Within 3 months	3 months to 6 months	6 months to 1 year	1 to 3 years	Total
Payable to customers	P 42,740,960	P -	P -	P -	P 42,740,960
Payable to clearing house	-	-	-	-	-
Other payables	2,359,732	-	-	-	2,359,732

Loans payable	2,167,034	2,403,850	4,807,699	50,480,841	59,859,424
	<u>P 47,267,726</u>	<u>P 2,403,850</u>	<u>P 4,807,699</u>	<u>P 50,480,841</u>	<u>P 104,960,116</u>

Capital Management

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

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

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

Risk Based Capital Adequacy Requirement

Based on SEC Memorandum Circular No. 16, the Company is required an RBCA ratio of greater than or equal to 1.1. The RBCA ratio is computed by dividing Company's Net Liquid Capital (NLC) to its Total Risk Capital Requirement (TRCR). TRCR is the sum of: a) Operational Risk Requirement (ORR); b) Credit Risk Requirement which include requirements for Counterparty Risk, Settlement Risk, Large Exposure Risk, and Margin Lending/Financing Risk; and c) Position or Market Risk Requirement.

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

The Company's RBCA ratio as at years ended December 31, 2023 and 2022 are 135% and 124%, respectively.

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

	2023	2022
Net liquid capital		
Equity eligible for net liquid capital	P 229,355,533	P 262,052,234
Ineligible assets	156,763,716	184,692,699
Total	72,591,817	77,359,535
Risk capital requirements		
Operational risk requirement	53,644,399	62,399,265
Position risk requirement	320,703	230,092
Counterparty risk	-	-
Total	P 53,965,102	P 62,629,357
Risk based capital adequacy ratio	135%	124%

Net Liquid Capital

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

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

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

	2023	2022
Aggregate indebtedness	₱ 81,910,687	₱ 56,412,851
Net liquid capital	₱ 72,591,817	₱ 77,359,535
Less: Required net liquid capital, higher of:		
5% aggregate indebtedness	4,095,534	2,820,643
Minimum amount	5,000,000	5,000,000
Required net liquid capital	5,000,000	5,000,000
Net risk-based capital excess	₱ 67,591,817	₱ 72,359,535
Ratio of aggregate indebtedness to net liquid capital	113%	73%

Total Risk Capital Requirement

Detail of TRCR follows:

a) Operational Risk

It is the exposure that is associated with commencing and remaining in business arising separately from exposures covered by other risk requirements. It is the risk of loss resulting from inadequate of failed internal process, people and systems which include, among others, risk if fraud, operational or settlement failure and shortage of liquid resources, or from external events.

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

Revenue	2022	2021	2020	Average
Commission revenue	₱ 181,180,582	₱ 255,956,039	₱ 365,820,857	₱ 267,652,493
Interest income	293,369	435,916	585,198	438,161
Net recovery on market decline of financial asset at FVPL	-	-	7,773	2,591
Rent income	-	-	-	-
Dividend income	24,092	26,522	3,862	18,159
Gain on sale of marketable securities	-	-	-	-
Gain on sale of other assets	-	-	-	-
Other income/revenue	126,980	132,200	72,594	110,591
Average of the last three year gross income	181,625,023	256,550,677	366,490,284	268,221,995
Operational risk factor				20%
Total operational risk requirement				₱ 53,644,399

The Company's Core Equity should, at all times, be greater than its Operational Risk Requirement.

Core Equity refers to the sum of paid-up common stock, common stock dividends distributable, additional paid-in capital, surplus reserves excluding revaluation reserves or appraisal capital, and opening retained earnings adjusted for all current year movements. Core Equity shall exclude treasury shares and un-booked valuation reserves and other capital adjustments (such as unrealized gain in value of FVOCI securities).

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

b) Position/Price Risk

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

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

2023

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	P 545,878	25.00%	P 136,470
Other equities outside the PHISIX	450,395	35.00%	157,638
FX Position	332,443	8.00%	26,595
	P 1,328,716	-	P 320,703

2022

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	P 281,567	25.00%	P 70,392
Other equities outside the PHISIX	331,986	35.00%	116,195
FX Position	543,814	8.00%	43,505
	P 1,157,367	-	P 230,092

c) Large Exposure Risk

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

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

d) Counterparty Risk Exposure

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

Unsettled principal trades (arising from broker-to-broker or broker-to-exchange/clearing agency relationships). A counterparty exposure risk of this kind occurs when a) the broker dealer poses the possible risk of failing receive cash from its counterparty on a sell contract or b) the broker dealer poses the possible risk of failing to receive the securities from its counterparty on a buy contract.

Debts/loans, contra losses and other amounts due- A broker dealer has a counterparty exposure if a debt/loan, receivable from a customer/client, contra loss, or any other amount due is not paid on its agreed due date. In the case of a contra loss, the due date shall be the date of the contra.

The Company has no counterparty exposure as of the reporting date.

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

Fair Value Measurement

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

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

	Notes	Carrying Amount	2023		
			Fair Value		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Financial asset at FVPL	7	P 996,273	P 996,273	P -	P -
Assets for which fair values are disclosed:					
Cash	6	104,277,769	-	104,277,769	-
Receivable from customers	8	49,511,123	-	49,511,123	-
Other receivables	10	30,869,757	-	30,869,757	-
Due from related parties	28	101,443,723	-	101,443,723	-
Refundable deposits	14	8,672,833	-	8,672,833	-
		P 295,771,478	P 996,273	P 294,775,205	P -
Liabilities for which fair values are disclosed:					
Payable to customers	15	P 25,919,984	P -	P 25,919,984	P -
Payable to clearing house	9	26,391,966	-	26,391,966	-
Other payables	16	9,773,387	-	9,773,387	-
Loans payable	18	48,756,294	-	48,756,294	-
		P 110,841,631	P -	P 110,841,631	P -
2022					
	Notes	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Financial asset at FVPL	7	P 613,553	P 613,553	P -	P -
Assets for which fair values are disclosed:					
Cash	6	91,289,355	-	91,289,355	-
Receivable from customers	8	454,160	-	454,160	-
Receivable from clearing house	9	41,438,212	-	41,438,212	-
Other receivables	10	32,674,463	-	32,674,463	-
Due from related parties	28	127,180,137	-	127,180,137	-
Refundable deposits	14	7,865,029	-	7,865,029	-
		P 301,514,909	P 613,553	P 300,901,356	P -
Liabilities for which fair values are disclosed:					
Payable to customers	15	P 42,740,960	P -	P 42,740,960	P -
Other payables	16	2,359,732	-	2,359,732	-
Loans payable	18	43,553,659	-	43,553,659	-
		P 88,654,351	P -	P 88,654,351	P -

Offsetting of Financial Assets and Financial Liabilities

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

	Gross amounts recognized in the statements of financial position		Net amount presented in statement of financial position
	Financial assets	Financial Liabilities	
December 31, 2023			
Payable to clearing house	P 56,241,148	P (82,633,114)	P 26,391,966
December 31, 2022			
Receivable from clearing house	P 134,906,793	P (93,468,581)	P 41,438,212

NOTE 31 - RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

2023

	Loans Payable (Note 18)
Balance as of January 1, 2023	P 43,553,659
Cash flow from Financing Activities:	
Additional Borrowing	145,000,000
Repayment of Borrowing	(139,797,365)
Balance as of December 31, 2023	P 48,756,294

2022

	Loans Payable (Note 18)
Balance as of January 1, 2022	P 48,977,224
Cash flow from Financing Activities:	
Additional Borrowing	-
Repayment of Borrowing	(5,423,565)
Balance as of December 31, 2022	P 43,553,659

NOTE 32 - SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

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

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

a) *Output VAT*

In 2023, the Company declared output VAT as follows:

	Tax Base	Output VAT
Taxable Sales	₱ 173,754,341	₱ 20,850,521
Sales to Government	1,892,311	227,077
	<u>175,646,652</u>	<u>21,077,598</u>

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

The outstanding output VAT payable amounting to ₱1,076,996 as at December 31, 2023 is presented as part of other payables account in the 2023 statements of financial position (Note 17).

b) *Input VAT*

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

	Amount
Beginning balance	₱ -
Domestic purchase of goods other than capital goods	15,670
Domestic purchase of services	2,474,058
Creditable VAT	(92,954)
Input VAT allocable to sales to government	41,070
Applied against output vat	(2,530,798)
Balance at end of year	<u>₱ 92,954</u>

c) *Taxes and Licenses*

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

	Amount
Municipal license and permits	₱ 1,075,196
SEC license renewal	115,645
Real property taxes	101,704
Documentary stamp tax	22,087
Registration	500
Others	23,622
	<u>₱ 1,338,754</u>

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

d) *Withholding Taxes*

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

	Amount
Withholding tax at source (expanded)	₱ 555,507
Withholding tax on compensation	2,063,584
	<u>₱ 2,619,091</u>

e) Tax Assessments and Cases

On February 2, 2015, the Company received Letter of Authority from the Bureau of Internal Revenue with a serial number of eLA201100080557 for the examination of books of accounts and accounting records of the company for the period January 1, 2013 to December 31, 2013. As of reporting date, the examination is still ongoing.

On January 25, 2016, the Company received Letter of Authority from the Bureau of Internal Revenue with a serial number of eLA201200035755 for the examination of books of accounts and accounting records of the company for the period January 1, 2014 to December 31, 2014. As of reporting date, the examination is still ongoing.

On July 6, 2021, the Company received Letter of Authority from the Bureau of Internal Revenue with a serial number of eLA201700064371 for the examination of books of accounts and accounting records of the company for the period January 1, 2020 to December 31, 2020. As of reporting date, the examination is still ongoing.

On November 24, 2022, the Company received Letter of Authority from the Bureau of Internal Revenue with a serial number of eLA202000024082 for the examination of books of accounts and accounting records of the company for the period January 1, 2021 to December 31, 2021. The examination was terminated on March 22, 2023 upon payment of deficiency tax amounting to ₱526,035 including compromise penalty, interest and surcharge.

SCHEDULE I

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

SALISBURY SECURITIES CORPORATION
RISK BASED-CAPITAL ADEQUACY WORKSHEET PURSUANT TO
SEC MEMORANDUM CIRCULAR NO. 16 AS AMENDED, THROUGH SEC
MEMORANDUM CIRCULAR NO. 11, SERIES OF 2023
December 31, 2023

Assets	366,937,306
Liabilities	117,851,811
Equity as per books	249,085,495
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	
Deferred Income Tax	(19,729,962)
Revaluation Reserves	-
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to Equity per books	(19,729,962)
Equity Eligible For Net Liquid Capital	229,355,533
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	1,892,000
b. Intercompany Receivables	101,443,723
c. Fixed Assets, net of accumulated and excluding those used as collateral	9,498,258
d. Prepayment from client for Early Settlement of Account	
f. All Other Current Assets	32,179,358
f. Securities Not Readily Marketable	
g. Negative Exposure (SCCP)	282,665
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	11,467,712
Total ineligible assets	156,763,716
Net Liquid Capital (NLC)	72,591,817
Less:	
Operational Risk Requirement	53,644,399
Position Risk Requirement	320,703
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)	53,965,102
Net RBCA Margin (NLC-TRCR)	18,626,715
Liabilities	117,851,811
Add: Deposit for Future Stock Subscription (No application with SEC)	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	
Loans secured by securities	
Loans secured by fixed assets	35,941,124
Others	
Total adjustments to AI	(35,941,124)
Aggregate Indebtedness	81,910,687
5% of Aggregate Indebtedness	4,095,534
Required Net Liquid Capital (> of 5% of AI or FSM)	5,000,000
Net Risk-based Capital Excess / (Deficiency)	67,591,817
Ratio of AI to Net Liquid Capital	113%
RBCA Ratio (NLC / TRCR)	135%

SCHEDULE III

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS
UNDER APPENDIX F OF SRC RULE 49.2.1
FOR THE YEAR ENDED DECEMBER 31, 2023

1. Customers' fully paid securities and excess margin securities not in the broker's or dealers' possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required actions was not taken by respondent within the time frame specified under SRC Rule 49.2-1:

Market Valuation	.....	<u>P</u>	<u>-nil-</u>
Numer of items	.....	<u>P</u>	<u>-nil-</u>

2. Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under SRC rule 49.2-1

Market Valuation	.....	<u>P</u>	<u>-nil-</u>
Numer of items	.....	<u>P</u>	<u>-nil-</u>

SCHEDULE IV

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER SRC RULE 49.2
DECEMBER 31, 2023

Particulars	Credits	Debits
1. Free credit balances and other credit balance in customers' security accounts. 2. Monies borrowed collateralized by securities carried for the account of customers. 3. Monies payable against customers' securities loaned. 4. Customers' securities failed to receive. 5. Credit balances in firm accounts which are attributable to principal sales to customer. 6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days old. 7. Market value of the short security count differences over 30 calendar days old. 8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days. 9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days. 10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection. 11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to deliver. 12. Failed to deliver customers' securities not older than 30 calendar days. 13. Others:	52,714,393	48,562,960
Total	52,714,393	48,562,960
Net Credit (Debit)	4,151,432	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	4,151,432	

SCHEDULE V

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
**REPORT DESCRIBING MATERIAL INADEQUACIES FOUND TO EXIST
OR FOUND TO HAVE EXISTED SINCE THE PREVIOUS AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2023**

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

SCHEDULE VI

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
REPORT OF MONTHLY SECURITIES COUNT CONDUCTED PURSUANT TO
SRC RULE 52.1-10, AS AMENDED
FOR THE YEAR ENDED DECEMBER 31, 2023

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



Salisbury Securities Corporation

(Formerly Salisbury BKT Securities Corporation)

1806-1807, Philippine Stock Exchange Tower,

5th Avenue corner 28th Street, Bonifacio Global City, Taguig City, Philippines 1634

Telephone +632 8249 9418 to 19, Fax 02-7368 0676

www.salisburysecurities.com

Email: admin@salisburysecurities.com

OATH

REPUBLIC OF THE PHILIPPINES)

PASIG CITY

) S.S.

I, Anna Christie P. Dizon, Chief Financial Officer of SALISBURY SECURITIES CORPORATION (Formerly: Salisbury BKT Securities Corporation), do solemnly swear that all matters set forth in this inventory of all securities and stock certificates for the year ended December 31, 2023, are true and correct to the best of my knowledge and belief.

ANNA CHRISTIE P. DIZON
Chief Financial Officer

SUBSCRIBED AND SWORN to before me this APR 25 2024, affiant exhibiting to me her Passport No. P9071322B issued on February 24, 2022 at DFA NCR Central valid until February 23, 2032.

ALLAN MARCISO F. MACASANT
Notary Public for and in the City of Pasig
and Municipality of Pateros, Metro Manila
December 31, 2025

Appointment No. 38 (2024-2025)

18/F, Unit 1602 The Centerpoint Bldg.,

Julia Vargas Ave., Ortigas Center, Pasig City

IDP No. 328778-12/15/2023-RSM

PTR No. 0173852-01/03/2024-Pasig City

Roll No. 42176

Doc. No. 32

Page No. 8

Book No. 119

Series of 2024

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
STOCK POSITION PER LOCATION REPORT
As of December 31, 2023

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
260	260 GROUP, INC.	5,000	67,500	-	-	-	-	5,000	67,500	-	-	-	-
AB	ATK-BIG WEDGE CO. INC. - "A"	34,000	180,880	-	-	34,000	-	-	-	-	-	-	-
ABG	ASBEST GROUP INTERNATIONAL, INC.	162,800	490,028	-	-	162,800	-	-	-	-	-	-	-
ABS	ASS-CEN CORPORATION	13,713	63,354	-	-	12,163	-	1,550	7,161	-	-	-	-
AC	AYALA CORPORATION	16,960	11,549,760	81	55,161	17,041	11,604,921	-	-	-	-	-	-
ACEN	ACEN PREFERRED SERIES A	2,079,777	9,109,423	11,030	48,311	2,090,807	9,157,735	-	-	-	-	-	-
ACENA	ACEN PREFERRED SERIES B	1,000	1,080,000	-	-	1,000	1,050,000	-	-	-	-	-	-
ACR	ALSONS CONS. RES., INC.	494,000	266,760	-	-	1,000	1,080,000	-	-	-	-	-	-
AEV	ABOTIZ EQUITY VENTURES, INC.	79,690	3,554,174	483	21,542	74,773	3,334,876	-	-	-	-	-	-
AGI	ALLIANCE GLOBAL GROUP, INC.	(568,400)	(6,411,552)	1,847	20,834	(566,553)	(6,390,718)	-	-	-	-	-	-
ALCO	ARTHALAND CORPORATION	225,875	91,738	-	-	225,875	91,738	-	-	-	-	-	-
ALI	AYALA LAND, INC.	1,420,816	48,947,111	455	15,675	1,421,271	48,962,786	5,400	240,840	-	-	-	-
ALLDY	ALLDAY MARTS, INC.	2,080,000	376,560	-	-	2,080,000	376,560	-	-	-	-	-	-
ALLHC	AYALALAND LOGISTICS HLDGS CORP.	50,000	88,500	-	-	50,000	88,500	-	-	-	-	-	-
ALTER	ALTERENERGY HOLDING CORP.	388,000	298,760	-	-	388,000	298,760	-	-	-	-	-	-
ANC	ALASKA MILK CORPORATION	1,000	-	-	-	-	-	1,000	-	-	-	-	-
ANS	A SORIANO CORPORATION	2,452	28,590	-	-	2,452	28,590	-	-	-	-	-	-
AP	ABOTIZ POWER CORP.	124,900	4,721,220	500	18,900	125,400	4,740,120	-	-	-	-	-	-
APC	APC GROUP, INC.	600,000	141,000	-	-	600,000	141,000	-	-	-	-	-	-
APL	APOLLO GLOBAL CAPITAL INC	35,635,000	463,267	40,000	520	35,675,900	463,787	-	-	-	-	-	-
APVI	ALTUS PROPERTY VENTURES, INC.	-	-	-	-	87	808	-	-	-	-	-	-
APX	APEX MINING CO., INC. "A"	577,300	1,731,900	-	-	577,300	1,731,900	-	-	-	-	-	-
AR	ABRA MINING & INT'L CORP.	321,000,000	1,476,600	-	-	321,000,000	1,476,600	-	-	-	-	-	-
ARA	ARANETA PROPERTIES, INC.	75	74	-	-	75	74	-	-	-	-	-	-
AREIT	AREIT, INC.	13,500	450,900	95	3,171	13,595	454,073	-	-	-	-	-	-
ASIA	ASIATRUST DEVT. BANK, INC.	200	1,400	-	-	200	1,400	-	-	-	-	-	-
ASLAG	RASLAG CORP.	50,000	64,500	-	-	50,000	64,500	-	-	-	-	-	-
AT	ATLAS CONS MNG & DEVT CORP.	24,600	86,838	200	708	24,800	87,544	-	-	-	-	-	-
ATI	ASIAN TERMINALS, INC.	53,656	804,590	100	1,508	53,763	806,475	1	15	-	-	-	-
ATN	ATN HOLDINGS, INC. - "A"	400,000	152,000	-	-	400,000	152,000	-	-	-	-	-	-
ATNB	ATN HOLDINGS, INC. - "B"	900,000	342,000	-	-	900,000	342,000	-	-	-	-	-	-
AUB	ASIA UNITED BANK	112,177	3,668,188	-	-	112,177	3,668,188	-	-	-	-	-	-
AXLM	AXELUM RESOURCES CORP	132,000	316,800	100	240	132,100	317,040	-	-	-	-	-	-
BDO	BDO UNIBANK, INC.	157,921	20,608,691	81	10,571	157,402	20,540,961	600	78,300	-	-	-	-
BEL	BELLE CORPORATION	21,563,451	25,229,238	-	-	21,563,451	25,229,238	-	-	-	-	-	-
BHI	BOULEVARD HLDGS. INC.	70,000	4,270	-	-	70,000	4,270	-	-	-	-	-	-
BLFI	BDO LEASING AND FINANCE, INC.	2,000	6,320	-	-	2,000	6,320	-	-	-	-	-	-
BLOOM	BLOOMBERY RESORTS CORPORATION	202,600	1,993,584	527	5,186	203,127	1,998,770	-	-	-	-	-	-
BNCM	BANK OF COMMERCE	34,000	247,180	-	-	34,000	247,180	-	-	-	-	-	-
BPI	BANK OF THE PHIL. ISLANDS	12,165	1,262,727	83	8,615	11,463	1,189,859	8	830	-	-	-	-
BRN	A. BROWN COMPANY, INC.	151,324	98,361	-	-	151,324	98,361	-	-	-	-	-	-
BSC	BASIC ENERGY CORP.	2,210,600	391,276	-	-	2,210,600	391,276	-	-	-	-	-	-
C	CHESEA LOGISTICS INFRA HLDGSCORP	1,049,000	1,571,500	500	750	1,049,500	1,574,250	-	-	-	-	-	-
CAL	CALATA CORPORATION	4,091,584	8,346,831	-	-	4,091,584	8,346,831	-	-	-	-	-	-
CAT	CENTRAL AZUCARERA DE TABLAC	15,000	172,500	-	-	15,000	172,500	-	-	-	-	-	-
CBC	COSMOS BOTTLING CORP.	4,400	13,200	-	-	-	-	2,000	6,000	-	-	-	-
CDC	CITYLAND DEVT. CORP. "A"	168,957	116,580	-	-	168,957	116,580	-	-	-	-	-	-
CEB	CEBU AIR, INC.	70,760	2,299,700	406	13,191	71,166	2,312,895	-	-	-	-	-	-
CEBCP	CEBU AIR INC. PREFERRED SHARES	30,170	979,017	26	844	30,196	979,860	-	-	-	-	-	-
CHI	CEBU HOLDINGS, INC.	47,438	290,321	-	-	41,438	253,601	6,000	36,720	-	-	-	-
CHB	CENEX HOLDINGS PHILIPPINES, INC.	7,924	244,455	49	1,512	7,973	245,967	-	-	-	-	-	-
CHP	CENEX HOLDINGS INDUSTRIAL CORP.	1,206,957	1,134,540	215	166,750	1,207,172	1,134,742	-	-	-	-	-	-
CIC	CONCEPCION INDUSTRIAL CORP.	-	-	11,500	166,750	11,500	166,750	-	-	-	-	-	-
CLI	CEBU LANDMASTERS INC	671,820	1,659,395	-	-	671,820	1,659,395	-	-	-	-	-	-
CNPF	CONVERGE INFO AND COM TECHSOLN INC	53,500	1,655,825	579	17,920	54,079	1,673,745	-	-	-	-	-	-
CNVRG	CONVERGE INFO AND COM TECHSOLN INC	125,700	1,053,366	1,622	13,592	127,322	1,066,938	-	-	-	-	-	-
COAL	COAL ASIA HOLDINGS INC.	1,116,000	126,096	-	-	1,116,000	126,096	-	-	-	-	-	-
COSCO	COSCO CAPITAL, INC.	985,100	4,552,086	3,054	14,109	988,354	4,566,195	-	-	-	-	-	-
COSCO	CENTURY PROPERTIES GROUP INC.	3,358,110	940,271	13,639	3,819	3,371,749	944,090	-	-	-	-	-	-
CPM	CENTURY PEAK HOLDINGSCORPORATION	(492,000)	(1,712,160)	-	-	(492,000)	(1,712,160)	-	-	-	-	-	-
CREIT	CITICORP ENERGY REIT CORP.	904,000	2,314,240	634	1,623	904,634	2,315,863	-	-	-	-	-	-

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
STOCK POSITION PER LOCATION REPORT
As of December 31, 2023

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
CROWN	CROWN ASIA CHEMICAL CORPORATION	110,000	171,600	-	-	110,000	171,600	-	-	-	-
CIS	CIS GLOBAL EQUITY GROUP, INC.	100,000	-	-	-	100,000	-	-	-	-	-
DD	DOUBLEDOR CORP.	197,700	1,502,520	120	912	197,700	1,502,520	-	-	-	-
DDPR	DOUBLE DRAGON PREFERRED SHARES	2,071,000	2,505,910	-	-	2,071,000	2,505,910	-	-	-	-
DELM	DELMONTE PACIFIC LIMITED	20,000	1,860,000	-	-	20,000	1,860,000	-	-	-	-
DGL	DIGITAL TELECOMMUNICATIONS PHI	-	-	97	630	97	630	-	-	-	-
DHI	DOMINION HOLDINGS, INC.	56,000	-	-	-	-	-	-	-	-	-
DITO	DITO CME HOLDINGS CORPORATION	11,590	-	-	-	11,590	-	-	-	-	-
DIZ	DIZON COPPER-SILVER MINES, INC.	896,312	2,106,333	1,247	2,930	897,559	2,109,264	-	-	-	-
DMC	DMC HOLDINGS, INC.	7,812	17,421	-	-	7,812	17,421	-	-	-	-
DMV	DM WENCESLAO ASSOCIATES, INC.	57,000	565,683	1,266	12,369	59,166	578,052	-	-	-	-
DNL	DNL INDUSTRIES, INC.	332,000	2,094,920	914	5,767	332,914	2,100,687	-	-	-	-
DWC	DISCOVERY WORLD CORPORATION	10,000	14,100	-	-	10,000	14,100	-	-	-	-
ECVC	EAST COAST VULCAN CORPORATION	412,875	247,725	-	-	412,875	247,725	-	-	-	-
EEL	EEL CORPORATION	68,600	409,542	2,000	11,940	68,800	410,736	-	-	-	-
EEPA	EEI CORP. PREFERRED SERIES A	500	43,450	-	-	500	43,450	-	-	-	-
EG	E I P GAME VENTURES INC	41,550,000	390,570	-	-	41,550,000	390,570	-	-	-	-
EIBA	EXPORT & INDUSTRY BANK	350,336	91,087	-	-	350,330	91,086	2	4,840	-	-
ELI	EMPIRE EAST LAND HOLDINGS, INC.	661,864	83,395	4,000	504	627,448	79,058	-	-	-	-
EMI	EMPERADOR INC.	27,500	573,375	314	6,547	27,814	579,922	-	-	-	-
ENEX	ENEX ENERGY CORPORATION	335	1,642	-	-	335	1,642	-	-	-	-
ETON	ETON PROPERTIES PHILS INC	907	2,549	-	-	-	-	907	2,549	-	-
EW	EAST WEST BANKING CORPORATION	56,397	482,206	144	1,227	56,741	483,433	-	-	-	-
FB	SAN MIGUEL FOOD AND BEVERAGES	(2,570)	(131,070)	400	20,400	(2,170)	(110,670)	-	-	-	-
FCC	FORTUNE CEMENT CORP.	1,000	26,499	800	4,280	-	-	-	-	-	-
FDC	FILINVEST DEVELOPMENT CORP.	4,953	14,500	-	-	4,253	22,754	-	-	-	-
FEL	FERRONLUX HOLDINGS, INC.	5,000	8,028	800	2,880	5,000	14,500	-	-	-	-
FEN	FILIPINO FUND, INC.	2,230	1,044,000	800	2,880	3,030	10,998	-	-	-	-
FGEN	FIRST GEN CORPORATION	60,000	1,044,000	585	10,179	-	60,585	-	-	-	-
FLRT	FILINVEST REIT CORP.	1,066,000	2,750,280	1,276	3,292	1,067,276	2,753,572	-	-	-	-
FLI	FILINVEST LAND, INC.	13,960	611,497	13,960	8,236	1,050,395	619,733	-	-	-	-
FN	GLOBAL FERNONICKEL HILDS, INC.	110,806	228,260	2,975	6,129	108,775	224,077	-	-	-	-
FOOD	ALLIANCE SELECT FOODS INTERNATIONAL	666,903	306,775	-	-	666,903	306,775	-	-	-	-
FPH	FIRST PHIL. HLDGS. CORP.	37,393	2,337,063	6	375	37,399	2,337,438	-	-	-	-
FRUIT	FRUITAS HOLDINGS, INC.	2,077,000	1,993,920	-	-	2,077,000	1,993,920	-	-	-	-
GBH	GLOBAL BUSINESS HOLDINGS, INC.	23	178,809	-	-	-	-	23	-	-	-
GEO	GEOGRAPHIC RESOURCES PHILS, INC.	78,379	74,460	840	798	79,219	75,258	-	-	-	-
GERI	GLOBAL-ESTATE RESORTS, INC.	46,000	1,535,960	42	72,240	858	1,492,960	-	-	-	-
GLO	GLOBE TELECOM GMCR, INC.	893	386,400	-	-	45,000	378,000	-	-	-	-
GMA7	GMA NETWORK, INC.	41,000	340,300	247	2,050	41,247	342,350	-	-	-	-
GMA7	GMA HOLDINGS, INC. PDR	350,000	-	-	-	350,000	-	-	-	-	-
GOR	GOTESCO LAND, INC. "A"	150,000	-	-	-	150,000	-	-	-	-	-
GOT	GOTESCO LAND, INC. "B"	1,718	407	-	-	-	-	-	-	-	-
GREEN	GREENENERGY HOLDINGS INCORPORATED	1,718	407	-	-	-	-	-	-	-	-
GTAP	GT CAPITAL HOLDINGS, INC.	4,930	2,908,700	49	28,910	311	2,937,610	-	-	-	-
GTTPB	GT CAP HOLDINGS INC PERPETUAL PREF B	3,000	2,821,500	-	-	4,979	2,821,500	-	-	-	-
HI	HOUSE OF INVESTMENTS, INC.	2,000	6,480	-	-	3,000	6,480	-	-	-	-
HLCM	HOLCIM PHILIPPINES, INC.	9,000	34,830	-	-	2,000	6,480	-	-	-	-
HOME	ALLHOME CORP.	1,033,500	1,157,520	1,385	1,551	-	-	-	-	-	-
HVN	GOLDEN MV HOLDINGS, INC.	50	42,225	-	-	1,034,885	1,159,071	-	-	-	-
I	I-REMIT, INC.	2,269	874	-	-	50	42,225	-	-	-	-
ICT	INTL. CONT. TERMINAL SERV INC.	45,588	11,251,118	48	11,846	2,269	874	-	-	-	-
IMI	INTEGRATED MICRO-ELECTRONICS, INC.	16,624	52,532	635	2,007	45,636	11,262,965	-	-	-	-
IMP	IMPERIAL RESOURCES, INC. "A"	112,500	58,500	-	-	17,259	54,538	-	-	-	-
INFR	PHILIPPINE INFRADEV HOLDINGS INC.	322,133	177,173	-	-	112,500	58,500	-	-	-	-
ION	IONICS CIRCUITS, INC.	3,000	3,030	-	-	322,133	177,173	-	-	-	-
IPO	IPOLIFE, INC. "A"	5,005	36,934	-	-	3,000	3,030	-	-	-	-
ISI	ISI AND INFORMATION & TECHNOLOGY INC	53,312,500	770,580	-	-	3,900	28,665	-	-	-	-
JFC	JOLIBEE FOODS CORP.	28,817	7,033,700	27	6,788	5,340,000	768,960	-	-	-	-
JFCPA	JOLIBEE FOODS CORP. PREF. A	7,400	7,033,700	-	-	28,844	7,251,382	-	-	-	-
JOS	JG SUMMIT HOLDINGS, INC.	77,850	2,969,978	446	17,015	7,400	7,033,700	-	-	-	-
						78,296	2,986,992	-	-	-	-

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
STOCK POSITION PER LOCATION REPORT
As of December 31, 2023

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
KEPR	TIE KEEPERS HOLDINGS, INC.	1,356,900	3,008,212	-	-	1,356,900	2,008,212	934	-	-	-	-	-
KPM	KEPPEL PHILS. MARINE INC.	-	-	-	-	-	-	-	-	-	-	-	-
KPH	KEPPEL PROPERTY PHILS. INC.	-	-	-	-	-	-	-	-	-	-	-	-
KPC	KEPPEL PRESS HOLDINGS INC.	33,200	5,335	-	-	3,500	5,335	-	-	-	-	-	-
LBC	LEPANTO CONS MNG. CO. "A"	53,742,246	4,299,380	-	-	53,742,246	4,299,380	-	-	-	-	-	-
LCB	LEPANTO CONS MNG. CO. "B"	10,000	780	-	-	10,000	780	-	-	-	-	-	-
LIB	LIBERTY TELECOMS. HLDGS. INC.	7,000	10,920	-	-	-	-	7,000	10,920	-	-	-	-
LND	LIFE-STATE LAND, INC.	300	612	-	-	-	-	300	612	-	-	-	-
LODE	LODESTAR INVESTMENTS HLDGS. CORP.	500,000	232,500	-	-	500,000	232,500	-	-	-	-	-	-
LOPE	LOPEZ HOLDINGS CORP.	449,450	1,914,657	456	1,943	449,356	1,914,257	550	2,343	-	-	-	-
LSC	LORENZO SHIPPING CORP.	250	138	-	-	250	138	-	-	-	-	-	-
LTO	LT GROUP, INC.	(12,950)	(116,291)	138	1,239	(12,812)	(115,052)	-	-	-	-	-	-
MA	MANILA MINING CORP. "A"	112,971,569	519,669	-	-	112,893,169	519,309	78,400	361	-	-	-	-
MAB	MANILA MINING CORP. "B"	53,998,876	232,195	-	-	53,998,876	232,195	-	-	-	-	-	-
MAC	MACRO-ASIA CORPORATION	1,396,900	5,548,135	712	2,953	1,337,612	5,551,090	-	-	-	-	-	-
MACY	MACAY HOLDINGS INC.	-	-	100	570	100	570	-	-	-	-	-	-
MAH	METRO ALLIANCE HLDGS. "A"	50,500	22,978	-	-	50,500	22,978	-	-	-	-	-	-
MARC	MARCVENTURES HOLDINGS, INC.	300,530	324,572	-	-	300,530	324,572	-	-	-	-	-	-
MAXS	MAXIS GROUP, INC.	16,000	52,320	-	-	16,000	52,320	-	-	-	-	-	-
MB	MANILA BULLETIN PUBLISHING CORP.	12,108	2,797	-	-	12,108	2,797	-	-	-	-	-	-
MBT	METROPOLITAN BANK & TRUST CO.	143,518	7,362,473	122	6,259	143,640	7,368,732	-	-	-	-	-	-
MED	MEDILINES DISTRIBUTORS INCORPORATED	1,330,000	438,900	-	-	1,330,000	438,900	-	-	-	-	-	-
MEG	MEGAWORLD PROF. & HLDGS. INC.	11,568,924	22,790,780	3,681	7,251	11,572,605	22,798,032	680	271,320	-	-	-	-
MER	MANILA ELECTRIC CO.	24,787	9,890,013	23	9,171	24,130	9,627,870	-	-	-	-	-	-
MFC	MANULIFE FINANCIAL CORP.	224	253,120	-	-	224	253,120	-	-	-	-	-	-
MFIN	MAKATI FINANCE CORPORATION	6,600	12,540	-	-	6,600	12,540	-	-	-	-	-	-
MGH	METRO GLOBAL HOLDINGS CORP.	1,000	1,000	-	-	1,000	1,000	-	-	-	-	-	-
MJC	MIC INVESTMENTS, INC.	5,100	5,100	-	-	5,100	5,100	-	-	-	-	-	-
MMA	MERYMART CONSUMER CORP.	1,180,000	1,215,400	600	618	1,180,600	1,216,018	-	-	-	-	-	-
MNC	MARCOPIER MONG CORP.	-	-	-	-	-	-	-	-	-	-	-	-
MON	MONDRAON INTL PHLS. INC.	2,649,435	735	-	-	-	-	-	-	-	-	-	-
MONDE	MONDRE NISSIN CORPORATION	38,200	320,116	799	6,096	38,999	326,812	735	2,649,435	-	-	-	-
MPT	METRO PACIFIC INVESTMENTSCORP.	-	-	-	-	-	-	-	-	-	-	-	-
MRC	MRC ALLIED, INC.	400,964,097	521,253,326	95	923	400,964,097	521,253,326	-	-	-	-	-	-
MREIT	MREIT, INC.	727,000	8,942,100	-	-	727,075	8,943,023	-	-	-	-	-	-
MRSI	METRO RETAIL STORES GROUP INC.	5,000	6,350	75	923	5,000	6,350	-	-	-	-	-	-
MWC	MANILA WATER COMPANY, INC.	822,600	15,300,360	145	2,697	822,745	15,303,057	-	-	-	-	-	-
MWIDEN	MEGAWIDE CONSTRUCTION CORPORATION	50,047	154,145	-	-	51,197	157,687	-	-	-	-	-	-
MWP4	MEGAWIDE CONST. SERIES 5 PREF.	108,000	9,520,200	1,150	3,542	108,000	9,520,200	-	-	-	-	-	-
MWP5	MEGAWIDE CONST. SERIES 5 PREF.	5,590	566,267	-	-	5,590	566,267	-	-	-	-	-	-
NI	NIBAO MINERAL RES. INTL. INC.	317,700	174,735	-	-	317,700	174,735	-	-	-	-	-	-
NIKEL	NICKEL ASIA CORPORATION	4,500	24,660	1,165	6,384	4,500	24,660	-	-	-	-	-	-
NRC	NATIONAL REINSURANCE CORP.	265,400	95,544	-	-	265,400	95,544	-	-	-	-	-	-
NXGEN	NEXTGENESIS CORP.	4,300	30,100	-	-	4,300	30,100	-	-	-	-	-	-
ON	ONICO CORPORATION	1,800,800	517,220	-	-	1,800,800	517,220	-	-	-	-	-	-
OPM	ORIENTAL PET. & MIN. CORP.-A	3,042,500	24,340	-	-	3,042,500	24,340	-	-	-	-	-	-
OPMB	ORIENTAL PET. & MIN. CORP.-B	37,032,254	299,961	567	567	37,102,254	300,528	-	-	-	-	-	-
ORE	ORIENTAL PENINSULA RES. GROUP, INC.	30,000	18,900	-	-	30,000	18,900	-	-	-	-	-	-
OV	THE PHILODRILL CORP. "A"	104,865,300	849,409	-	-	104,865,300	849,409	-	-	-	-	-	-
PAL	PAL HOLDINGS, INC.	9,000	45,630	-	-	9,000	45,630	-	-	-	-	-	-
PBB	PHILIPPINE BUSINESS BANK	83,325	724,928	-	-	83,325	724,928	-	-	-	-	-	-
PCEV	PLDT COMM & ENERGY VENTURES, INC.	500	-	-	-	-	-	500	-	-	-	-	-
PCOR	PETRON CORPORATION	1,808,780	6,421,169	2,043	7,253	1,806,486	6,413,025	4,337	15,396	-	-	-	-
PCP	PICOP RESOURCES, INC.	5,000	1,025	-	-	5,000	1,025	-	-	-	-	-	-
PERC	PETROENERGY RESOURCES CORP.	9,870	48,857	-	-	8,886	43,986	-	-	-	-	-	-
PGOLD	PUREGOLD PRICE CLUB, INC.	136,700	3,677,230	157	4,223	136,857	3,681,453	984	4,871	-	-	-	-
PHN	PREMIERE HORIZON ALLIANCECORP.	183,000	29,646	-	-	183,000	29,646	-	-	-	-	-	-
PHN	PHINNA CORPORATION	3,359	68,524	-	-	3,359	68,524	-	-	-	-	-	-
PHR	PH RESORTS GROUP HOLDINGS INC	2,499,100	2,174,217	-	-	2,499,100	2,174,217	-	-	-	-	-	-
PIP	PIPER-COLA PRODUCTS PHLS. INC.	300	850	800	1,360	1,300	2,210	-	-	-	-	-	-
PIZZA	SHAKES PIZZA ASIA VENTURES INC.	210,600	2,063,880	371	1,360	210,638	2,064,252	-	-	-	-	-	-
PLC	PREMIUM LEISURE CORP.	58,000	36,540	7,400	4,662	65,400	41,202	-	-	-	-	-	-

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

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
PLUS	DIGITAL INTERACTIVE CORP.	187,726	1,501,808	-	-	187,726	1,501,808	-	-	-	-	-	-
PMT	PROMETOWN PROP. GROUP, INC.	90,000	33,300	-	-	90,000	33,300	-	-	-	-	-	-
PNB	PHIL. NATIONAL BANK	2,186,793	40,455,671	201	3,719	2,186,592	40,451,952	437	8,085	-	-	-	-
PNX	PHENIX PETROLEUM PHILS., INC.	1,066,700	5,226,830	-	-	1,066,700	5,226,830	-	-	-	-	-	-
PNX4	PHENIX PETROLEUM PREF. SERIES 4	15,500	3,608,400	-	-	15,500	3,608,400	-	-	-	-	-	-
PFC	PRYCE CORPORATION	20,260	107,581	100	531	20,360	108,112	-	-	-	-	-	-
PPI	PHILTOWN PROPERTIES, INC.	4,873	-	-	-	-	-	-	-	4,873	-	-	-
PRIM	PRIME MEDIA HOLDINGS, INC.	881,825	2,530,838	-	-	881,825	2,530,838	-	-	-	-	-	-
PSB	PHILIPPINE SAVINGS BANK	600	31,800	-	-	-	-	600	31,800	-	-	-	-
PTT	PHIL. TELEGRAPH & TEL. CORP.	150,000	49,500	-	-	150,000	49,500	-	-	-	-	-	-
PX	PXP ENERGY CORPORATION	1,797,299	5,769,330	2,138	6,863	1,799,437	5,776,193	-	-	-	-	-	-
PXP	PXP ENERGY CORPORATION	55,607	219,648	1,265	4,997	55,415	218,889	-	-	1,457	5,755	-	-
RCB	REAL COMMERCIAL BANKING CORP.	29,036	667,828	119	2,737	29,155	670,565	-	-	-	-	-	-
RCL	ROKAS AND COMPANY, INC.	201,255	96,602	-	-	201,255	96,602	-	-	-	-	-	-
RCR	RL COMMERCIAL RET., INC.	1,849,900	9,043,077	4,149	20,289	1,853,449	9,063,366	-	-	-	-	-	-
REG	REPUBLIC GLASS HLDGS. CORP.	1,750	5,250	-	-	1,750	5,250	-	-	-	-	-	-
RFM	RFM CORPORATION	17,454	52,362	1,000	3,000	18,454	55,362	-	-	-	-	-	-
RLC	ROBINSONS LAND CORP.	19,400	309,236	525	8,569	19,925	317,805	-	-	-	-	-	-
RLT	PHIL. REALTY & HLDGS. CORP.	4,014,400	529,901	-	-	4,014,400	529,901	-	-	-	-	-	-
ROCK	ROCKWELL LAND CORPORATION	18,272	25,764	-	-	18,272	25,764	-	-	-	-	-	-
ROX	ROKAS HOLDINGS, INC.	8,644	6,656	-	-	3,588	2,763	5,056	3,893	-	-	-	-
RPC	REYNOLDS PHILIPPINES CORP.	470,258	-	-	-	-	-	1,000	-	469,258	-	-	-
RRH	ROBINSONS RETAIL HOLDINGS, INC.	17,150	679,998	429	17,010	17,579	697,007	-	-	-	-	-	-
SBS	SBS PHILIPPINES CORPORATION	449	2,178	-	-	449	2,178	-	-	-	-	-	-
SCC	SEMPRA MINING AND POWER CORP.	(350,100)	(10,590,525)	658	19,905	(349,442)	(10,570,621)	-	-	-	-	-	-
SECB	SECURITY BANK CORP.	76,821	5,492,702	74	5,291	76,895	5,497,993	-	-	-	-	-	-
SEVN	PHILIPPINE SEVEN CORP.	22,951	1,229	16	1,219	16	1,219	-	-	-	-	-	-
SFI	SWIFT FOODS, INC.	1,733	2,218	-	-	1,733	2,218	-	-	-	-	-	-
SFP	SWIFT FOODS, INC. - PREF.	2,000	1,780	-	-	2,000	1,780	-	-	-	-	-	-
SGI	SOLID GROUP, INC.	1,052,650	6,894,838	557	3,648	1,053,207	6,898,506	-	-	-	-	-	-
SGP	SYNERGY GRID & DEVELOPMENT PHILS., INC.	91,700	1,003,198	179	1,958	91,879	1,005,156	-	-	-	-	-	-
SHLP	PHILIPINAS SHELL PETROLEUM CORP.	10,816	39,695	-	-	10,816	39,695	-	-	-	-	-	-
SHNG	SHANG PROPERTIES, INC.	172	467,840	-	-	172	467,840	-	-	-	-	-	-
SLF	SUN LIFE FINANCIAL SERV. OF CANADA	36,575	31,893,400	46	40,112	36,621	31,933,512	-	-	-	-	-	-
SM	SM INVESTMENT CORPORATION	29,306	2,992,143	16	1,634	28,722	2,932,516	600	61,260	-	-	-	-
SMC	SAN MIGUEL CORP. "A"	20,000	1,450,000	-	-	20,000	1,450,000	-	-	-	-	-	-
SMC2F	SAN MIGUEL CORPORATION SUBSERIES 2F	80,000	5,436,000	-	-	80,000	5,436,000	-	-	-	-	-	-
SMC2J	SAN MIGUEL CORPORATION SERIES 2-J	735	75,044	-	-	-	-	735	75,044	-	-	-	-
SMCB	SAN MIGUEL CORP. "B"	65,380	2,151,002	1,201	39,513	66,581	2,190,515	-	-	-	-	-	-
SMCH	SAN MIGUEL HOLDINGS, INC.	2,014	2,840	100	700	2,014	2,840	-	-	-	-	-	-
SPC	SPC POWER CORP.	831,374	1,097,414	-	-	831,374	1,097,414	-	-	-	-	-	-
SPM	SEA FRONT RESOURCES CORP.	370,000	835,500	333	756	370,333	840,656	-	-	-	-	-	-
SPNEC	SP NEW ENERGY CORPORATION	145,000	320,450	-	-	145,000	320,450	-	-	-	-	-	-
SSI	SSI GROUP, INC.	600,000	291,000	1,000	485	601,000	291,485	-	-	-	-	-	-
SSP	SFA SEMICON PHILIPPINES CORPORATION	32,672	8,495	-	-	32,672	8,495	-	-	-	-	-	-
STI	STI EDUCATION SYSTEM HOLDINGS, INC.	140,000	119,000	-	-	140,000	119,000	-	-	-	-	-	-
STN	STENEL MANUFACTURING CORP.	11,200,000	1,523,200	-	-	11,200,000	1,523,200	-	-	-	-	-	-
SUN	SUN TRUST RESORT HOLDINGS, INC.	20,372	32,391	-	-	20,372	32,391	-	-	-	-	-	-
T	TTC METALS INCORPORATION	9,139	11,688,781	25	31,975	9,164	11,720,756	-	-	-	-	-	-
TBGI	TRANS PACIFIC BROADBAND GROUP INTL.	2,276	231,924	11	1,121	2,287	233,045	-	-	-	-	-	-
TECH	CITEK HOLDINGS PHILIPPINES CORPORA	255,959	1,491,921	118	5,941	257,749	1,497,862	-	-	-	-	-	-
TEH	PLDT, INC.	88,771	142,100	41	-	-	-	-	-	256,000	-	-	-
TFH	TOP FRONTIER INVESTMENT HOLDINGS, I	28,000	3,780	-	-	28,000	3,780	-	-	-	-	-	-
UP	UNION BANK OF THE PHILS.	488,500	376,145	-	-	401,000	308,770	-	-	-	-	-	-
UPB	UNIVERSAL RIGHTFIELD PROP. & HLDGS.	72,525	121,842	-	-	78,659	132,147	-	-	-	-	-	-
UPM	UNIVERSAL ROBINIA CORP.	88,771	10,492,732	-	-	88,771	10,492,732	-	-	-	-	-	-
URC	UNIONWIDE HOLDINGS, INC.	28,000	3,780	-	-	28,000	3,780	-	-	-	-	-	-
UV	UNIONWIDE HOLDINGS, INC.	488,500	376,145	-	-	401,000	308,770	-	-	-	-	-	-
VITA	VITACORP CORPORATION	8,500	4,420	-	-	8,500	4,420	-	-	-	-	-	-
VLL	VISTA LAND & LIFESCAPES, INC.	72,525	121,842	-	-	78,659	132,147	-	-	-	-	-	-
VMC	VICTORIAS MILLING CO., INC.	529	1,592	6,184	10,389	529	1,592	-	-	-	-	-	-

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STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
VVT	VIVANT CORPORATION	2,313	35,936	100	-	2,613	37,366	-	-	-	-	-	-
WEB	PHILWEB CORPORATION	230,648	399,021	-	-	230,648	399,021	-	-	-	-	-	-
WILCO	WILCON DEPOT, INC.	17,060	355,900	38	-	17,098	356,094	-	-	-	-	-	-
WPI	WATERFRONT PHILS., INC.	15,300	5,738	-	-	15,300	5,738	-	-	-	-	-	-
X	XURPASS, INC.	12,000	2,292	-	-	12,000	2,292	-	-	-	-	-	-
Total		1,331,629,905	1,001,496,737	232,838	991,427	1,328,123,866	1,001,187,121	2,916,612	1,140,060	822,265	160,983	-	-

Number of Shares in Vault 2,916,612
Number of Shares in Clearing House -
Number of Shares in Transfer Office 822,265
Number of Shares in Transfer PCD 1,328,123,866
Total Number of Shares 1,331,862,743

The following were noted delisted as of December 31, 2023

ALASKA MILK CORPORATION	1,000
CALATA CORPORATION	4,091,584
COSMOS BOTTLING CORP.	4,400
DIGITAL TELECOMMUNICATIONS PHI	56,000
EXPORT & INDUSTRY BANK	350,336
ETON PROPERTIES PHILS INC	907
FORTUNE CEMENT CORP.	1,000
GLOBAL BUSINESS HOLDINGS, INC	23
GOTESCO LAND, INC. "A"	350,000
GOTESCO LAND, INC. "B"	150,000
KEPPEL PHILS. MARINE INC.	594
LIBERTY TELECOMS HLDS. INC.	7,000
MARCOPPER MINING CORP.	733
MONDRAGON INTL. PHILS INC.	2,649,433
PLDT COMM & ENERGY VENTURES, INC.	500
PEPSI-COLA PRODUCTS PHILS. INC.	1,300
PRIMETOWN PROP. GROUP, INC.	90,000
REYNOLDS PHILIPPINES CORP.	470,238
UNIVERSAL RIGHTFIELD PROP. & HLDGS.	256,000
UNIWIDE HOLDINGS, INC.	28,000

SALISBURY SECURITIES CORPORATION
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SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE
REVISED SRC RULE 68

FINANCIAL SOUNDNESS INDICATORS

For The Years Ended December 31, 2023 and 2022

Current Ratio

	2023	2022
Total current assets	P 291,203,129	P 297,308,609
Total current liabilities	80,821,366	52,490,566
Current ratio	3.603:1	5.664:1

Quick Ratio

	2023	2022
Total liquid asset	P 287,098,645	P 293,649,880
Total current liabilities	80,821,366	52,490,566
Quick ratio	3.552:1	5.594:1

Working Capital to Total Asset

	2023	2022
Working capital	P 210,381,763	P 244,818,043
Total assets	366,937,306	370,059,310
Working capital ratio	0.573:1	0.662:1

Solvency Ratio

	2023	2022
Net income (loss) after tax + Depreciation	P (20,560,614)	P (11,550,005)
Total liabilities	117,851,811	95,687,649
Solvency ratio	-0.174:1	-0.121:1

Debt-to-equity Ratio

	2023	2022
Total liabilities	P 117,851,811	P 95,687,649
Total equity	249,085,495	274,371,661
Debt-to-equity ratio	0.473:1	0.349:1

Asset-to-equity Ratio

	2023	2022
Total assets	P 366,937,306	P 370,059,310
Total equity	249,085,495	274,371,661
Asset to equity ratio	1.473:1	1.349:1

SALISBURY SECURITIES CORPORATION
(Formerly SALISBURY BKT SECURITIES CORPORATION)
SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE
REVISED SRC RULE 68

FINANCIAL SOUNDNESS INDICATORS

For The Years Ended December 31, 2023 and 2022

Interest Rate Coverage Ratio

	2023	2022
Pre-tax profit before interest	P (29,347,098)	P (19,947,716)
Finance costs	4,082,103	3,963,084
Interest rate ratio	-7.189:1	-5.033:1

Profitability Ratios

	2023	2022
Net profit (loss) after tax	P (25,818,371)	P (17,872,852)
Total equity	249,085,495	274,371,661
	-0.104:1	-0.065:1

a.) Return on asset ratio

	2023	2022
Net income (loss) after tax	P (25,818,371)	P (17,872,852)
Average assets	368,498,308	370,059,310
	-0.07:1	-0.048:1

b.) Return on equity ratio

	2023	2022
Net profit (loss) after tax	P (25,818,371)	P (17,872,852)
Average equity	261,728,578	274,371,661
	-0.099:1	-0.065:1

c.) Gross Profit Margin Ratio

	2023	2022
Net profit (loss) before tax	P (33,429,201)	P (23,910,800)
Gross profit	(18,490,825)	(12,425,934)
	1.808:1	1.924:1

d.) Net Profit Margin

	2023	2022
Net profit (loss) after tax	P (25,818,371)	P (17,872,852)
Revenue	175,437,303	181,067,894
	-0.147:1	-0.099:1

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
As of December 31, 2023

SALISBURY SECURITIES CORPORATION
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1806-1807 PSE Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig City

Unappropriated Retained Earnings, beginning of reporting period	(P29,150,171)
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings	
• Reversal of Retained Earnings Appropriation/s	-
• Effect of restatements or prior-period adjustments	-
• Others	-
	<hr/>
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings	
• Dividends declaration during the reporting period	-
• Retained Earnings appropriated during the reporting period	-
• Effect of restatements or prior-period adjustments	-
• Others	-
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Unappropriated Retained Earnings, as adjusted	(29,150,171)
Add/Less: Net Income (Loss) for the current year	(25,818,371)
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)	
•	
Equity in net income of associate/joint venture, net of dividends declared	-
• Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-
• Unrealized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	20,105
• Unrealized fair value gain of Investment Property	-
• Other unrealized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-
• Sub-total	<hr/>
	20,105 <hr/>
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	
• Realized foreign exchange gain, except those attributable to cash and cash equivalents	-
• Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
• Realized fair value gain of Investment Property	-
• Other realized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-
• Sub-total	<hr/>
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RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
As of December 31, 2023

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Add: Category C.3: Unrealized income recognized in the profit or loss in prior reporting periods but reversed in the current reporting period (net of tax)	
• Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-
• Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
• Reversal of previously recorded fair value gain of Investment Property	-
• Reversal of other unrealized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-
• Sub-total	<u>-</u>
Adjusted Net Income (Loss)	<u>(25,798,266)</u>
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	<u>-</u>
Add/Less: Category E: Adjustments related to relief granted by SEC and BSP	
• Amortization of the effect of reporting relief	-
• Total amount of reporting relief granted during the year	-
• Others	-
• Sub-total	<u>-</u>
Add/Less: Category F: Other items that should be excluded from the determination of the amount available for dividends distribution	
• Net movement of treasury shares (except for reacquisition of redeemable shares)	-
• Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-
• Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-
• Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
• Others	-
• Sub-total	<u>-</u>
TOTAL RETAINED EARNINGS, END OF THE REPORTING PERIOD AVAILABLE FOR DIVIDEND DECLARATION	<u>(P54,948,437)</u>