

C O V E R S H E E T
for
A U D I T E D F I N A N C I A L S T A T E M E N T S

SEC Registration Number

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COMPANY NAME

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

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Form Type

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Department requiring the report

N	A
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Secondary License Type, If Applicable

COMPANY INFORMATION

Company's email Address

legal@dragonfi.ph

Company's Telephone Number/s

N/A

Mobile Number

0908-819-9430

No. of Stockholders

10

Annual Meeting (Month / Day)

May 15

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Cathryn Ann C. Lao

Email Address

cathy@dragonfi.ph

Telephone Number/s

N/A

Mobile Number

0998-983-2855

CONTACT PERSON'S ADDRESS

U-7H 81 Xavier Residences, Xavier St., Greenhills, San Juan, Metro Manila

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

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



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

The management of **DragonFi Securities Inc, (Formerly Tri-State Securities, Inc.)**(the Company) 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 but to do so.

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

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

R.G. Manabat & Co., the independent auditor appointed by the Board of Directors, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the shareholders of the Company, has expressed its opinion on the fairness of presentation upon completion of such audit.


JON CARLO C. LIM

Chairman/President/CEO


CATHRYN ANN C. LAO

COO/CTO/Treasurer

Signed this 30 of April 2024

DragonFi Securities Inc.
Member: Philippine Stock Exchange
Unit L2L16-09 PSE Tower, One Bonifacio High Street
5th Avenue corner 28th Street, BGC, Taguig City, Philippines
Telephone Number: +632-8332-1150

DRAGONFI SECURITIES, INC.

(Formerly Tri-State Securities, Inc.)

FINANCIAL STATEMENTS **December 31, 2023 and 2022**

With Independent Auditors' Report



R.G. Manabat & Co.
The KPMG Center, 6/F
6787 Ayala Avenue, Makati City
Philippines 1209
Telephone +63 (2) 8885 7000
Fax +63 (2) 8894 1985
Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
DragonFi Securities, Inc. (formerly Tri-State Securities, Inc.)
Unit L2L16-09 PSE Tower at One Bonifacio
High Street 5th Ave Corner 28th St. BGC
Taguig City, 1634

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of DragonFi Securities, Inc. (formerly Tri-State Securities, Inc.) (the Company), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of comprehensive loss, changes in equity and cash flows for the years ended, and notes, comprising material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *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.

Firm Regulatory Registration & Accreditation:

PRC-BOA Registration No. 0003, valid until September 20, 2026

IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)

BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024

financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)



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

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

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

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

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 auditors' 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010 and No. 34-2020 of the Bureau of Internal Revenue

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 25 to the basic financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

R.G. MANABAT & CO.

FLORIZZA C. SIMANGAN

Partner

CPA License No. 0147917

Tax Identification No. 429-267-284

BIR Accreditation No. 08-001987-150-2022

Issued January 27, 2022; valid until January 26, 2025

PTR No. MKT 10075200

Issued January 2, 2024 at Makati City

April 30, 2024

Makati City, Metro Manila



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SUPPLEMENTAL WRITTEN STATEMENT OF AUDITOR

The Board of Directors and Stockholders
DragonFi Securities, Inc. (formerly Tri-State Securities, Inc.)
Unit L2L16-09 PSE Tower at One Bonifacio
High Street 5th Ave Corner 28th St. BGC
Taguig City, 1634

We have audited the accompanying financial statements of DragonFi Securities, Inc. (formerly Tri-State Securities, Inc.) (the Company) as at and for the year ended December 31, 2023, on which we have rendered our report dated April 30, 2024.

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

R.G. MANABAT & CO.

FLORIZZA C. SIMANGAN
Partner
CPA License No. 0147917
Tax Identification No. 429-267-284
BIR Accreditation No. 08-001987-150-2022
Issued January 27, 2022; valid until January 26, 2025
PTR No. MKT 10075200
Issued January 2, 2024 at Makati City

April 30, 2024
Makati City, Metro Manila

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until September 20, 2026
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
STATEMENTS OF FINANCIAL POSITION

	Note	December 31		December 31			
		2023	2022	2023		2022	
		Market Value of Securities					
				Long	Short	Long	Short
ASSETS							
Current Assets							
Cash and cash equivalents	5, 23	P30,930,111	P50,225,857	P -	P -	P -	P -
Trade receivables - net	6, 22, 23	900,880	-	-	-	-	-
Financial assets at fair value through profit or loss	3, 7, 22, 23	20,040	-	-	-	-	-
Other receivables	22, 23	12,129	74,071	-	-	-	-
Prepayments	8	685,869	461,398	-	-	-	-
Other current assets	9	2,383,585	2,380,603	-	-	-	-
Total Current Assets		34,932,614	53,141,929	-	-	-	-
Noncurrent Assets							
Property and equipment - net	10	1,769,256	1,777,904	-	-	-	-
Intangible assets	11	114,559,355	53,206,902	-	-	-	-
Refundable deposits	22, 23	1,255,485	685,832	-	-	-	-
Total Noncurrent Assets		117,584,096	55,670,638	-	-	-	-
		P152,516,710	P108,812,567	P -	P -	P -	P -
SECURITIES							
In box, with Philippine Depository and Trust Corporation and clearing house				P -	P4,227,553,585	P -	P1,634,316

Forward

	Note	December 31		December 31			
		2023	2022	2023		2022	
				Market Value of Securities			
				Long	Short	Long	Short
LIABILITIES AND EQUITY							
Current Liabilities							
Trade payables	12, 22, 23	P25,099,931	P52,430	P4,227,553,585	P -	P1,634,316	P -
Advances from stockholders	14, 21, 24	37,500,000	-	-	-	-	-
Other current liabilities	13	868,603	5,526,685	-	-	-	-
Total Current Liabilities		63,468,534	5,579,115	4,227,553,585	-	1,634,316	-
Total Liabilities		63,468,534	5,579,115	4,227,553,585	-	1,634,316	-
Equity							
Share capital	14	96,831,040	94,831,040	-	-	-	-
Share premium	14	5,169,010	5,169,010	-	-	-	-
Retained earnings (deficit)							
Appropriated	14	6,457,599	6,457,599	-	-	-	-
Unappropriated	14	(19,409,473)	(3,224,197)	-	-	-	-
Total Equity	14	89,048,176	103,233,452	-	-	-	-
		P152,516,710	P108,812,567	P4,227,553,585	P -	P1,634,316	P -

See Notes to Financial Statements.

DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
STATEMENTS OF COMPREHENSIVE LOSS

		Years Ended December 31	
	<i>Note</i>	2023	2022
REVENUE	15	P1,164,754	P -
COST OF SERVICES	16	(1,714,573)	(391,167)
GROSS LOSS		(549,819)	(391,167)
OPERATING COSTS			
Personnel costs	17	6,187,338	2,043,914
Subscriptions	18	3,691,803	1,481,470
Rent		2,049,720	1,314,905
Advertising and promotions		1,155,633	300,000
Consultancy fee		936,626	-
Management and professional fees		464,263	825,633
Depreciation	10	359,391	207,084
Honorarium		490,000	-
Utilities		398,928	281,160
Entertainment, amusement, and recreation		277,424	40,834
Transportation and travel		136,429	68,192
Taxes and licenses		112,028	1,343,170
Office supplies		84,009	34,170
Communication		76,697	183,629
Insurance		4,140	5,943
Miscellaneous		261,545	113,311
		16,685,974	8,243,415
OPERATING LOSS		(17,235,793)	(8,634,582)
OTHER INCOME	19	1,050,517	1,097,104
LOSS BEFORE TAX	20	(16,185,276)	(7,537,478)
INCOME TAX EXPENSE	20	-	-
NET LOSS/TOTAL COMPREHENSIVE LOSS		(P16,185,276)	(P7,537,478)

See Notes to the Financial Statements.

DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
STATEMENTS OF CHANGES IN EQUITY

Years Ended December 31

	Note	Share Capital	Share Premium	Retaining Earnings (Deficit)		Total
				Appropriated	Unappropriated	
Balance at January 1, 2023		P94,831,040	P5,169,010	P6,457,599	(P3,224,197)	P103,233,452
Net loss/total comprehensive loss		-	-	-	(16,185,276)	(16,185,276)
Issuance of additional capital stocks		2,000,000	-	-	-	2,000,000
		2,000,000	-	-	(16,185,276)	(14,185,276)
Balance at December 31, 2023	<i>14</i>	P96,831,040	P5,169,010	P6,457,599	(P19,409,473)	P89,048,176
Balance at January 1, 2022		P24,831,010	P5,169,010	P6,457,599	P4,313,281	P40,770,900
Net loss/total comprehensive loss		-	-	-	(7,537,478)	(7,537,478)
Issuance of additional capital stocks		70,000,030	-	-	-	70,000,030
		70,000,030	-	-	(7,537,478)	62,462,552
Balance at December 31, 2022	<i>14</i>	P94,831,040	P5,169,010	P6,457,599	(P3,224,197)	P103,233,452

See Notes to the Financial Statements.

DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
STATEMENTS OF CASH FLOWS

		Years Ended December 31	
	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss before income tax	20	(P16,185,276)	(P7,537,478)
Adjustments for:			
Interest income	5, 19	(1,042,177)	(1,042,898)
Depreciation	10	359,391	207,084
Unrealized gain on financial assets at fair value through profit or loss	7	(2,157)	-
Operating loss before working capital changes		(16,870,219)	(8,373,292)
Changes in working capital:			
Trade receivables	6	(900,880)	-
Financial assets at fair value through profit or loss	7	(17,883)	-
Prepayments		(224,471)	(383,398)
Other receivables		-	1,039,286
Other current assets		(2,982)	-
Refundable deposits		(569,653)	(490,620)
Trade payables		25,047,501	2,055
Other current liabilities		(4,658,082)	(2,186,712)
Net cash generated from (used in) operations		1,803,331	(10,392,681)
Interest received		1,104,119	974,224
Income tax paid		-	(1,477,862)
Net cash provided by (used in) operating activities		2,907,450	(10,896,319)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of:			
Intangible assets	11	(61,352,453)	(51,583,302)
Property and equipment	10	(350,743)	(1,903,247)
Cash used in investing activities		(61,703,196)	(53,486,549)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from advances from stockholders	14, 21, 24	37,500,000	-
Issuance of share capital		2,000,000	70,000,030
Cash provided from financing activities		39,500,000	70,000,030
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(19,295,746)	5,617,162
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5, 23	50,225,857	44,608,695
CASH AND CASH EQUIVALENTS AT END OF YEAR	5, 23	P30,930,111	P50,225,857

See Notes to the Financial Statements.

DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)

NOTES TO THE FINANCIAL STATEMENTS

1. Reporting Entity

DragonFi Securities Inc. (formerly Tri-State Securities, Inc.) (the Company) was incorporated on August 17, 1990. The Philippine Securities and Exchange Commission (SEC) issued a Certificate of Registration No. 180424 to the Company to effect the registration and authorization of the Company to operate as a broker dealer in securities pursuant to Section 131 of the Corporation Code of the Philippines, and other pertinent laws of the Philippines.

BeeDragon Global Corp. (the Parent company) acquired the Company, and the acquisition was approved by Philippine Stock Exchange (PSE) on January 28, 2022. On May 20, 2022, the Company has received approval of the SEC to change its corporate name from Tri-State Securities, Inc. to DragonFi Securities, Inc.

As at December 31, 2023 and 2022, the Company is wholly-owned by BeeDragon Global Corp., located at 10th Floor Tower 1, DoubleDragon Plaza, DD Meridian Park, cor. Macapagal Ave. and EDSA Extension, Pasay City.

The Company's registered office, which is also its principal place of business, is located at Unit L2L16-09 PSE Tower at One Bonifacio, High Street 5th Ave Corner 28th St. BGC, Taguig City 1634.

2. Basis of Preparation

Statement of Compliance

The financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs). PFRS are based on International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board. PFRSs which are issued by the Philippine Financial and Sustainability Reporting Standards Council (FSRSC), consist of PFRSs, Philippine Accounting Standards (PAS), and Philippine Interpretations.

Basis of Measurement

The financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss (FVPL) that has been measured at fair value.

Functional and Presentation Currency

The financial statements of the Company are presented in Philippine peso (PHP), which is also the Company's functional currency. All financial information presented in PHP have been rounded off to the nearest peso, unless otherwise indicated.

The accompanying financial statements were approved for issuance by the Board of Directors (BOD) on April 29, 2024.

3. Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently by the Company to all years presented in these financial statements, except for the changes in accounting policies as explained below.

Adoption of Amended Standards

The Company has adopted the following amended standards as part of PFRSs starting January 1, 2023 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Company's financial statements.

Effective January 1, 2023

- Disclosure of Accounting Policies (Amendments to PAS 1, *Presentation of Financial Statements* and PFRS Practice Statement 2, *Making Materiality Judgements*). The amendments are intended to help companies provide useful accounting policy disclosures. The key amendments to PAS 1 include:
 - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
 - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
 - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The amendments to PFRS Practice Statement 2 includes guidance and additional examples on the application of materiality to accounting policy disclosures, assisting companies to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The Company reviewed the accounting policies and although the amendments did not result in any changes to the accounting policies themselves, updates were made to the accounting policy information disclosed in Note 3 Summary of Material Accounting Policies in certain instances in line with the amendments.

Amended Standard Not Yet Adopted

A number of amendments to standards are effective for annual periods beginning after January 1, 2023. However, the Company has not early adopted the following amended standards in preparing these financial statements. Unless otherwise stated, none of these are expected to have significant impact on the Company's financial statements.

Effective January 1, 2024

- Classification of Liabilities as Current or Noncurrent – 2020 amendments and Non-Current Liabilities with Covenants – 2022 amendments (Amendments to PAS 1, *Presentation of Financial Statements*). To promote consistency in application and clarify the requirements on determining whether a liability is current or noncurrent, the amendments:
 - removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
 - clarified that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current and covenants with which the entity must comply after the reporting date do not affect a liability's classification at that date;
 - provided additional disclosure requirements for non-current liabilities subject to conditions within twelve months after the reporting period to enable the assessment of the risk that the liability could become repayable within twelve months; and
 - clarified that settlement of a liability includes transferring an entity's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or noncurrent.

The amendments will apply retrospectively for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Entities that have early applied the 2020 amendments may retain application until the 2022 amendments are applied. Entities that will early apply the 2020 amendments after issue of the 2022 amendments must apply both amendments at the same time.

Financial Instruments

Date of Recognition

Financial instruments are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

Initial Recognition and Classification and Measurement

Financial Assets

PFRS 9, *Financial Instruments* contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics.

PFRS 9 includes three principal classification categories for financial assets based on measurement principles: amortized cost, Financial assets at fair value through other comprehensive income (FVOCI) and Financial assets at FVPL.

The Company only has financial assets at amortized cost and financial assets at FVPL as at December 31, 2023 and 2022.

Financial Assets Measured at Amortized Cost

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost include cash and cash equivalents, trade receivables, other receivables and refundable deposits that the Company has an objective to hold financial assets in order to collect contractual cash flows.

Financial Assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the profit or loss.

As at December 31, 2023 and 2022, the financial assets at FVPL of the Company amounted to P0.02 million and nil, respectively (see Notes 7, 22 and 23).

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL and other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company only has other financial liabilities as at December 31, 2023 and 2022.

Other Financial Liabilities

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the profit or loss. This category generally applies to trade payables, and other current liabilities (excluding statutory liabilities).

Impairment of Financial Assets

Expected Credit Loss (ECL) model of PFRS 9 model is forward-looking and it eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognized. Consequently, more timely information is required to be provided about expected credit losses.

The Company assesses its ECL on a forward-looking basis associated with its financial assets carried at amortized cost. No impairment loss is recognized on equity investments. Recognition of credit losses or impairment is no longer dependent on the Company's identification of a credit loss event. Instead, the Company considers a broader range of information in assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets. The Company measures loss allowances at an amount equal to lifetime ECL, except for the following financial instruments for which they are measured as 12-month ECL:

- debt securities that are identified to have 'low credit risk' at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

For these financial instruments, the allowance for impairment is based on 12-month ECL associated with the probability of default of a financial instrument in the next 12 months (referred to as 'Stage 1' financial instruments). Unless there has been a significant increase in credit risk subsequent to the initial recognition of the financial asset, a lifetime ECL (which are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial asset) will be recognized (referred to as 'Stage 2' financial instruments). 'Stage 2' financial instruments also include those loan accounts and facilities where the credit risk has improved and have been reclassified from 'Stage 3'. A lifetime ECL shall be recognized for 'Stage 3' financial instruments, which include financial instruments that are subsequently credit-impaired, as well as purchased or originated credit impaired (POCI) assets.

Measurement of ECL

The key elements used in the calculation of ECL are as follows:

- Probability of Default (PD)- it is an estimate of likelihood of a borrower defaulting on its financial obligation over a given time horizon, either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.
- Loss Given Default (LGD) - it is an estimate of loss arising in case where a default occurs at a given time (either over the next 12 months or 12-month LGD), or over the remaining lifetime or lifetime LGD). It is based on the difference between the contractual cash flows of a financial instrument due from a counterparty and those the Company would expect to receive, including the realization of any collateral. It is presented as a percentage loss per unit of exposure at the time of default.

- Exposure at Default (EAD) - it represents the gross carrying amount of the financial instruments subject to impairment calculation; hence, this is the amount that the Company expects to be owed at the time of default over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD). In case of a loan commitment, the Company shall include the undrawn balance (up to the current contractual limit) at the time of default should it occur.

The measurement of the ECL reflects:

- i. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- ii. the time value of money; and
- iii. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Derecognition of Financial Instruments

Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of the ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risk and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of: (a) the consideration received (including any new asset obtained less any new liability assumed) and (b) any cumulative gain or loss that had been recognized in profit or loss.

Financial Liabilities

Financial liabilities are removed from the statements of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is either discharged or cancelled or expired. Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A gain or loss from extinguishment of the original financial liability is recognized in profit or loss.

Intangible Assets

Trading Rights

The Company considered the trading rights as an intangible asset having an indefinite useful life, as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflow to the Company. Trading rights is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The amount presented in the statements of financial position is the allocated cost upon initial recognition and subsequently measured at cost. The Company has no intention to sell the trading rights in the near future.

Online Trading Software

Online trading software is the internally developed software used in production and administration which are accounted for under the cost model. The cost of the asset is the amount of cash or cash equivalents paid or the fair value of the other considerations given up to acquire an asset at the time of its acquisition or productions.

Intangible assets of the Company have an indefinite useful life.

Intangible assets are derecognized upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising from the retirement and disposal of an item of intangible asset assets (calculated as the difference between the net disposal of proceeds and the carrying amount of the asset) is included in profit or loss in the period of retirement or disposal.

Acquired computer software licenses are capitalized based on the costs incurred to acquire and install the specific software. Costs associated with maintaining computer software and those costs associated with research activities are recognized as expense in profit or loss as incurred. Costs that are directly attributable to the development phase of new customized software for information technology and telecommunications systems are recognized as intangible assets if the Company can demonstrate all of the following recognition requirements:

- i. technical feasibility of completing the prospective product for internal use or sale;
- ii. the intangible asset will generate probable economic benefits through internal use or sale;
- iii. intention and ability to complete, i.e. availability of sufficient technical, financial and other resources necessary for completion, and use or sell the asset; and
- iv. ability to measure reliably the expenditure attributable to the intangible asset during development.

Directly attributable costs include employee costs incurred on software development along with an appropriate portion of relevant overheads. The costs of internally generated software developments are recognized as intangible assets; they are subject to the same subsequent measurement method as externally acquired software licenses. However, until completion of the development project, the assets are subject to impairment testing only.

Revenue Recognition

Revenue is measured based on the fair value consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. Revenue is recognized when the Company satisfies a performance obligation by transferring a promised goods or service to the customer, which is when the customer obtains control of the goods or service. The following specific recognition criteria must also be met before revenue is recognized:

- Commission - Revenue is recognized upon confirmation of trade deals, an agreed rate for every trade transaction at point in time.

Expense Recognition

Cost and expenses are decreases in economic benefits during the accounting period in the form of outflows on decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Costs and expenses are recognized when the related revenue is earned or when the service is incurred.

Income Taxes

Current tax assets or liabilities comprise those claims from, or obligation to, taxation authorities relating to the current or prior reporting period, that are uncollected or unpaid at the reporting period. They are calculated according to the tax rates and tax laws applicable to periods to which they relate, based on the taxable profit for the year.

Deferred tax is provided, using the balance sheet liability method on all temporary differences at the reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Under the liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carry forward of unused net operating loss carry over (NOLCO), to the extent that it is probable that taxable profit will be available against deductible temporary differences and carry forward benefits can be utilized.

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

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

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in statement of comprehensive income or loss. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity and other comprehensive income.

Deferred tax assets and liabilities are offset, if legally enforceable right exists to set off current income tax asset against current income tax liabilities and the deferred taxes relate to the same taxable entity and same taxable authority.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expenses. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the financial statements. Actual results may differ from these estimates.

Judgments and estimates are continually evaluated taking into consideration the Company's historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future period if the revision reflects both current and future periods.

Judgments

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 amounts recognized in the financial statements.

Estimates and Assumptions

The key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of Receivables

The Company recognizes an allowance for ECL for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

The expected cash flows will include cash flows from the sale of collateral held or credit enhancements that are integral to the contractual terms.

The Company recognizes allowance for ECL for receivables.

ECLs are recognized under either a simplified or general approach, dependent on the nature of the related financial asset.

Under the general approach, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

For financial instruments with low credit risk such as cash in bank, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort.

In making that evaluation, the Company reassesses the internal credit rating of the financial instrument or the counterparty. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 to 90 days past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

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

There is no recorded allowance for expected credit losses in 2023 and 2022 (see Note 6).

Impairment of Nonfinancial Assets

PFRS requires that an impairment review be performed when certain impairment indicators are present. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations. Based on management's assessment, there is no impairment loss on non-financial assets that need to be recognized.

Trading Rights

The Company carries its trading rights at cost less any impairment. Its carrying value as of December 31, 2023 and 2022 amounted to P1.62 million (see Note 11).

The market value of the Company's exchange trading right is P8.00 million. This amount is based on the most recent sale approved by the Philippine Stock Exchange's Board of Directors.

5. Cash and Cash Equivalents

This account consists of:

	<i>Note</i>	2023	2022
Cash in banks		P19,575,316	P13,109,906
Cash equivalents		11,349,795	37,110,951
Cash on hand		5,000	5,000
	23	P30,930,111	P50,225,857

Cash in banks earn interest at the prevailing bank deposit rates, averaging 0.50% to 0.75% and 0.525% to 0.78% in 2023 and 2022, respectively.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of placement and that are subject to an insignificant risk of changes in value. These earn interest at the prevailing short-term investment rates ranging 3.00% to 6.00% and 3.00% to 5.50% in 2023 and 2022, respectively.

Special Reserve Bank Account was created and maintained for the exclusive benefit of customers as prescribed under SRC Rule 49.2, *Customer Protection Reserves and Custody of Assets* and mentioned in Part I of Rule 49.C of this rule. The Company is compliant with this rule by providing a special bank reserve account amounting to P26.24 million and P5.00 million in 2023 and 2022, respectively. This is composed of cash in bank and cash equivalents amounting to P14.89 million and P11.35 million, and P5.00 million and nil in 2023 and 2022, respectively.

In 2023 and 2022, interest income from cash and cash equivalents amounted to P1.04 million (see Note 19).

6. Trade Receivables - net

This account consists of:

	<i>Note</i>	2023	2022
Receivable from customers		P6,038	P -
Receivable from non-customers		894,842	-
		900,880	-
Less: Allowance for credit losses		-	-
	22, 23	P900,880	P -

All receivables from customers do not bear any interest and are due after three days from the time of transaction, except for those on which allowance for impairment has already been provided. No receivable is denominated in foreign currency in 2023 and 2022.

Receivable from non-customers include due from clearing house at period end.

Allowance for credit losses is recognized when objective evidence is received that the Company will not be able to collect certain amounts due in accordance with its original term as considered in the initial recognition of receivables.

The movement of allowance for credit losses follows:

	<i>Note</i>	2023	2022
Balance at beginning of year:			
Receivable from customers		P -	P16,687
Receivable from non-customers		-	54,206
		-	70,893
Reversal of credit losses:			
Receivable from customers		-	-
Receivable from non-customers	19	-	(54,206)
	19	-	(54,206)
Write-off, sale, and other adjustments:			
Receivable from customers		-	(16,687)
Receivable from non-customers		-	-
		-	(16,687)
Balance at end of year:			
Receivable from customers		-	-
Receivable from non-customers		-	-
		P -	P -

Trade receivables are subject to credit risks exposure. However, the Company does not identify concentration of credit risks with regards to receivable from customers, as the amounts recognized resemble a large number of receivables from various customers.

7. Financial Assets at FVPL

Financial assets at FVPL consists of investments in equity securities listed in the Philippine Stock Exchange (PSE). The rollforward analysis of this account is as follows:

	<i>Note</i>	2023	2022
Balance at beginning of year		P -	P -
Additions		17,883	-
Unrealized gain on financial assets at FVPL		2,157	-
Balance at end of year	3, 22, 23	P20,040	P -

The fair market value of the listed shares was determined based on the current market prices in PSE.

The unrealized gain was presented under 'Other income' in profit or loss.

8. Prepayments

This account consists of:

	2023	2022
Input VAT	P653,014	P431,068
Prepaid tax	32,855	30,330
	P685,869	P461,398

Prepaid tax pertains to the advance payment of annual SEC license fee and other registration fees to BIR.

9. Other Current Assets

This account consists of creditable withholding taxes amounting to P2.38 million as at December 31, 2023 and 2022. Creditable withholding tax is not impaired since it can be applied on income taxes on other taxable income and any excess is carried over to the next taxable period.

10. Property and Equipment - net

The movements in this account are as follows:

	For the Year Ended December 31, 2023			
	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total
Cost				
Balance at beginning of year	P2,924,229	P456,313	P717,692	P4,098,234
Additions	345,144	5,599	-	350,743
Balance at end of year	3,269,373	461,912	717,692	4,448,977
Accumulated Depreciation				
Balance at beginning of year	2,162,003	128,457	29,870	2,320,330
Depreciation for the year	239,069	72,476	47,846	359,391
Balance at end of year	2,401,072	200,933	77,716	2,679,721
Carrying Amount	P868,301	P260,979	P639,976	P1,769,256

	For the Year Ended December 31, 2022			Total
	Office Equipment	Furniture and Fixtures	Leasehold Improvements	
Cost				
Balance at beginning of year	P2,110,099	P84,888	P -	P2,194,987
Additions	814,130	371,425	717,692	1,903,247
Balance at end of year	2,924,229	456,313	717,692	4,098,234
Accumulated Depreciation				
Balance at beginning of year	2,028,358	84,888	-	2,113,246
Depreciation for the year	133,645	43,569	29,870	207,084
Balance at end of year	2,162,003	128,457	29,870	2,320,330
Carrying Amount	P762,226	P327,856	P687,822	P1,777,904

As at December 31, 2023 and 2022, the Company does not have property and equipment which are pledged as collateral.

11. Intangible Assets

The movements in this account are as follows:

	For the Year Ended December 31, 2023			Total
	Online Trading Software	Trading rights	Other Intangible Assets	
Cost				
Balance at beginning of year	P51,583,302	P1,623,600	P -	P53,206,902
Additions	57,521,205	-	3,831,248	61,352,453
Balance at end of year	P109,104,507	P1,623,600	P3,831,248	P114,559,355

	For the Year Ended December 31, 2022			Total
	Online Trading Software	Trading rights		
Cost				
Balance at beginning of year		P -	P1,623,600	P1,623,600
Additions	51,583,302	-	-	51,583,302
Balance at end of year	P51,583,302	P1,623,600	P53,206,902	P53,206,902

Online trading software are the accumulated capitalizable development cost of its online trading software necessary for its continuous improvement with its software provider counterpart, DevExperts Sofia Ltd. It includes the capitalization of the salaries and wages of developers directly associated with the software development during development phase. It is an identifiable non-monetary asset without physical substance. It is a resource controlled by the Company as a result of self-creation and from which future economic benefits (inflows of cash or other assets) are expected.

By end of April 2023, the development of the online trading software has ended and the software was launched to the end users. Costs incurred after the development of the software were recorded as expenses.

The demutualization of the PSE has resulted to the conversion of the "Membership Seat in Exchange" account into two asset accounts in the books of the Company - "Investment in PSE shares" and "Trading Rights" accounts. The cost of the "Membership Seat in Exchange" account was allocated between the Investment in PSE shares and Trading Rights based in their relative fair values.

Trading rights has a market value P8.00 million based on the most recent sale approved by the PSE Board of Directors, thus, no impairment is recognized.

Intangible assets of the Company have indefinite useful life and are subject to annual impairment testing if there is an indication of impairment. No impairment loss was recognized in 2023 and 2022.

12. Trade Payables

Trade payables account consists of as follows:

Ratio of market value of securities to credit balances	Note	December 31, 2023		December 31, 2022	
		Credit Balances	Market Value of Securities	Credit Balances	Market Value of Securities
Payable to customers					
With money balance		P23,452,433	P249,234,006	P13,208	P1,634,316
No money balance		-	3,978,319,579	-	-
		23,452,433	4,227,553,585	13,208	1,634,316
Dividends payable		41,865	-	39,222	-
Payable to clearing house		1,605,633	-	-	-
Total	22, 23	P25,099,931	P4,227,553,585	P52,430	P1,634,316

Payable to customers are usually due within three (3) days and 31 days from transaction date. Payable to customers do not bear interest.

13. Other Current Liabilities

This account consists of:

	2023	2022
Accrued expenses	P557,184	P613,128
Payable to government agencies	204,755	127,583
Accounts payable - non-trade	13,208	4,785,974
SCCP, PDTC, transfer fee and transaction fee payable	9,382	-
Other payables	84,074	-
	P868,603	P5,526,685

Accrued expenses pertain to accrual of utilities, taxes and licenses, professional fees, subscription and other expenses. These are non-interest-bearing and payable within approved terms within one year.

Payable to government agencies comprises of VAT payable, withholding taxes and stock transaction taxes payable.

Securities Clearing Corporation of the Philippines (SCCP), Philippine Depository Trust Corp. (PDTC), transfer fee and transaction fee payable pertains to fees related to trading transactions.

Other payables include the unreconciled deposits received by the Company.

Other current liabilities are expected to be settled within the next operating cycle of the Company.

14. Advances from Stockholders and Equity

Deposit for future stock subscription (DFFS) is recognized as an equity if elements below are present:

- The unissued authorized capital stock of the entity is insufficient to cover the amount of shares indicated in the contract;
- There is BOD's approval on the proposed increase in authorized capital stock (for which a deposit was received by the corporation);
- There is stockholders' approval of said proposed increase; and
- The application for the approval of the proposed increase has been filed with the SEC.

In 2023, the Company received DFFS amounting to P37.50 million for the deposits received by the Company from its Parent Company in relation to proposed increase in authorized capital stock approved by the BOD and stockholders on September 29, 2023 (see Notes 21 and 24). The amended articles of incorporation mentioned amending the authorized capital stock from P100.00 million divided into 10.00 million common shares with a par value of P10.00 per share to P250.00 million divided into 25.00 million common shares with a par value of P10.00 per share.

In November 2023, the Company requested to SEC the monitoring clearance in order for the Company to start the application process for the increase in capital. The clearance was provided by SEC in January 2024.

As at December 31, 2023, the Company has not met all the requirements provided above and, as a result, the DFFS is classified as advances from stockholders account under liability in the statements of financial position.

The equity is composed of the following:

	2023	2022
Authorized		
Par value per share	P10	P10
Number of common shares	10,000,000	10,000,000
Amount of Authorized shares	P100,000,000	P100,000,000
Issued and Outstanding		
Number of common shares	9,683,104	9,483,104
Share capital	P96,831,040	P94,831,040
Share premium	5,169,010	5,169,010
Appropriated retained earnings	6,457,599	6,457,599
Unappropriated retained earnings	(19,409,473)	(3,224,197)
	P89,048,176	P103,233,452

Share issue premium amounted to P5.17 million in 2023 and 2022. This represents amounts received in excess of par value on the issuance of shares.

On February 15, 2022, under its new management with BeeDragon Global Corp., the Company amended their authorized capital stock from P25.00 million divided by 2.50 million common shares with a par value of P10 each to P100.00 million and is divided by 10.00 million common shares with a par value of P10 each.

In compliance with SRC Rule 49.1 (B) Reserve Fund, the Company is required annually to appropriate a certain minimum percentage of its audited profit after tax and transfer the same to the appropriated retained earnings account. Appropriation shall be 30%, 20%, 10% of profit after tax for broker dealers with unimpaired paid-up capital between P10.00 million to P30.00 million between P30.00 million to P50.00 million and above P50.00 million, respectively.

The Company has incurred net loss in 2023 and 2022 and net income in 2021, hence, there are no additional appropriation under this rule in 2023 and 2022. The Company appropriated retained earnings in 2021 for 20% of its net income.

The Company is in compliance with SRC Rule 49.1 (B) for the year ended December 31, 2023 and 2022.

15. Revenue

The revenue consists of commission income amounting to P1.16 million and nil in 2023 and 2022, respectively, which is recognized from trade transactions. The Company has stopped its operations in March 2021 after the Company's voluntary suspension application with Capital Markets Integrity Corporation (CMIC). The Company restarted its trading operations in May 2023.

16. Cost of Services

This account consists of:

	2023	2022
Stock exchange dues and fees	P1,090,709	P228,891
Personnel costs	431,467	162,169
PDTC fees	192,397	107
	P1,714,573	P391,167

Stock exchange dues and fees consist of the Pacific Corporation Exchange Membership fee paid to PSE for trade-related transactions.

Personnel costs consist of salaries and wages, statutory fees and contributions and communication expenses of Company's employees in operations.

17. Personnel Costs

This account consists of:

	2023	2022
Salaries and wages	P3,779,484	P1,206,835
Employee welfare and benefits	1,567,069	501,723
Statutory fees and benefits	840,785	335,356
	P6,187,338	P2,043,914

Salaries and wages consist of the compensation and benefits paid to the Company's administrative employees for the services rendered.

Employee welfare and benefits include 13th month pay, de minimis benefits and other benefits.

18. Subscription

This account consists of fees paid to third parties for the services, products or licenses amounting to P3.69 million and P1.48 million in 2023 and 2022, respectively.

19. Other Income

This account consists of:

	<i>Note</i>	2023	2022
Interest income	5	P1,042,177	P1,042,898
Reversal of credit losses	6	-	54,206
Other income		8,340	-
		P1,050,517	P1,097,104

The interest income is recognized from interest earned in cash equivalents.

Reversal of credit losses pertains to the derecognition of allowance for credit losses for the collection of account receivable.

20. Income Tax

There is no income tax expense recorded in 2023 and 2022.

The reconciliation of income tax expense computed at the statutory income tax rate to the effective income tax shown in profit or loss is summarized as follows:

	2023	2022
Loss before income tax	(P16,185,276)	(P7,537,478)
Income tax at statutory rate (25%)	(P4,046,319)	(P1,884,370)
Reductions in income tax resulting from the tax effects of:		
Interest income subjected to final tax	(260,544)	(260,724)
Nontaxable income	(539)	(13,551)
Nondeductible expenses	66,444	10,208
Unrecognized deferred tax asset	4,240,958	2,148,437
	P -	P -

In 2023 and 2022, the Company's unrecognized deferred tax asset pertains to net operating loss carry over (NOLCO) amounting to P6.39 million and P2.15 million, respectively.

Validity of NOLCO follows:

Year Incurred	Expiry Year	Amount	Utilized	Expired	Balance
2022	2025	P2,148,437	P -	P -	P2,148,437
2023	2026	4,240,958	-	-	4,240,958
		P6,389,395	P -	P -	P6,389,395

The NIRC of 1977 provides for the recognition of Net Operating Loss Carry Over (NOLCO). NOLCO is allowed as deduction from the taxable income in the next three years from inception year.

Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act

On March 26, 2021, the President of the Philippines has approved the CREATE Act, with nine (9) provisions vetoed by the President.

On April 8, 2021, the BIR issued the following implementing Revenue Regulation (RR) that are effective immediately upon publication:

- BIR RR No. 2-2021, *Amending Certain Provisions of RR No. 2-98, As Amended, to Implement the Amendments Introduced by RA No. 11534, or the Act, to the National Internal Revenue Code (NIRC) of 1997, as Amended, Relative to the Final Tax on Certain Passive Income;*
- BIR RR No. 3-2021, *Rules and Regulations Implementing Section 3 of R.A. No. 11534, Otherwise Known as the Act, Amending Section 20 of the NIRC of 1997, As Amended;*
- BIR RR No. 4-2021, *Implementing the Provisions on VAT and Percentage Tax Under R.A. No. 11534, Otherwise Known as the Act Which Further Amended the NIRC of 1997, as Amended, as Implemented by RR No. 16-2005 (Consolidated VAT Regulations of 2005), As Amended;* and
- BIR RR No. 5-2021, *Implementing the New Income Tax Rates on the Regular Income of Corporations, on Certain Passive Incomes, Including Additional Allowable Deductions from Gross Income of Persons Engaged in Business or Practice of Profession Pursuant to R.A. No. 11534 or the Act, Which Further Amended the NIRC of 1997.*

Further, the BIR has issued its RR No. 5-2021 to promulgate the implementation of the new income tax rates on the on the regular income of corporations, on certain passive incomes and additional allowable deductions of persons engaged in business or practice of profession as provided for in Act. Starting July 1, 2020, the RCIT changed from 30% to 25%, while MCIT of the Company changed from 2% to 1%, respectively effective July 1, 2020 until June 30, 2023. Subsequent to June 30, 2023, the MCIT rate is at 2%.

21. Related Party Transactions

Parties are considered related party if one party has control, joint control, or significant influence over the other party in making financial and operating decisions. Transactions between related parties were made on terms equivalent to those that prevail in arms' length transaction or on terms similar to those offered to non-related entities in economically comparable market except for the non-interest-bearing advances to related party or personnel.

Outstanding receivables from and payables to related parties which are expected to be settled in cash.

Related parties of:

- a. BeeDragon Global Corp. (the Parent Company); and
- b. Key management personnel providing management services to the Company which is composed of senior management directors.

Significant Transaction with Related Parties

The Company's significant transactions with related parties are as follows:

Category/Transaction	Year	Note	Amount of the Transaction	Outstanding Balance Due to Related Parties	Terms and Conditions
Parent Company					
Advances from stockholders	2023	14, 24	P37,500,000	P37,500,000	Non-interest-bearing; unsecured
	2022		-	-	

Compensation of Key Management Personnel

Compensation of key management personnel consists of salaries and other benefits amounting to nil in 2023 and 2022, respectively.

22. Financial Risk Management

Financial Risk Management Objectives and Policies

The Company's principal financial instruments consist of cash and cash equivalents, trade receivables, other receivables, trade payables and other current liabilities (excluding payable to government agencies) which arise directly from its operations. The main purpose of these financial instruments is to fund its operational and financing requirements. The main risks arising from the use of financial instruments are liquidity risk, credit risk and market.

The main objectives of the Company's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

There are no changes in the risk assessment on the objectives, policies and manner of how the Company manages these risks in 2023 and 2022.

The Company's risk management policies are summarized below:

Liquidity Risk

Liquidity is the risk that an entity will encounter difficulty in meeting obligations from its financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of a contractual obligation; or insurance liabilities falling due for payment earlier than expected; or inability to generate cash inflows as anticipated.

The Company monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash and cash equivalents deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows. The Company's cash and cash equivalents and receivables are used for the Company's liquidity requirements.

The table below analyzes the financial assets and liabilities of the Company into their relevant maturity groups using contractual undiscounted amounts based on the remaining period at the reporting dates to their contractual maturities or based on the estimated timing of the net cash outflows:

	Note	2023			Total
		On Demand	Less than 1 Year	1 Year and Above	
Financial Assets					
Financial assets at amortized cost:					
Cash and cash equivalents*		P30,925,111	P -	P -	P30,925,111
Trade receivables	6, 23	900,880	-	-	900,880
Other receivables	23	12,129	-	-	12,129
Refundable deposits	23	1,255,485	-	-	1,255,485
		33,093,605	-	-	33,093,605
Financial Liabilities					
Trade payables	12, 23	25,099,931	-	-	25,099,931
Other current liabilities**	23	663,848	-	-	663,848
		25,763,779	-	-	25,763,779
Net Liquidity		P7,329,826	P -	P -	P7,329,826

*Excluding cash on hand

**Excluding payable to government agencies

	Note	2022			Total
		On Demand	Less than 1 Year	1 Year and Above	
Financial Assets					
Financial assets at amortized cost:					
Cash and cash equivalents*		P50,220,857	P -	P -	P50,220,857
Other receivables	23	74,071	-	-	74,071
Refundable deposits	23	685,832	-	-	685,832
		50,980,760	-	-	50,980,760
Financial Liabilities					
Trade payables	12, 23	52,430	-	-	52,430
Other current liabilities**	23	5,399,102	-	-	5,399,102
		5,451,532	-	-	5,451,532
Net Liquidity		P45,529,228	P -	P -	P45,529,228

*Excluding cash on hand

**Excluding payable to government agencies

Credit Risk

Credit risks refer to the potential loss arising from any failure by counterparties to fulfill their obligations, as and when they fall due.

It is inherent to the stock brokerage business that potential losses may arise due to the failure of its customer and counterparties to fulfill their trading obligation on settlement date or the possibility that the value of collateral held to secure obligations becoming inadequate due to adverse market conditions.

The Company manages credit risk by setting limits for individual customers and group of customers. The Company monitors credit exposures and continually assesses the credit worthiness of counterparties.

The Company's financial assets which have the maximum credit risk rate exposure are as follows:

	Note	2023	2022
Cash and cash equivalents*		P30,925,111	P50,220,857
Trade receivables	6, 23	900,880	-
Other receivables	23	12,129	74,071
Refundable deposits	23	1,255,485	685,832
		P33,093,605	P50,980,760

*Excluding cash on hand

The Company's financial assets which have the maximum exposure to credit risk (credit quality) as presented in the financial statements as summarized as follows:

	Neither Past Due nor Impaired		Past Due or	
	High Grade	Standard Grade	Individually Impaired	2023
Cash and cash equivalents*	P30,925,111	P -	P -	P30,925,111
Trade receivables	900,880	-	-	900,880
Other receivables	12,129	-	-	12,129
Refundable deposits	-	1,255,485	-	1,255,485
	P31,838,120	P1,255,485	P -	P33,093,605

*Excluding cash on hand

	Neither Past Due nor Impaired		Past Due or	
	High Grade	Standard Grade	Individually Impaired	2022
Cash and cash equivalents*	P50,220,857	P -	P -	P50,220,857
Trade receivables	-	-	-	-
Other receivables	74,071	-	-	74,071
Refundable deposits	-	685,832	-	685,832
	P50,294,928	P685,832	P -	P50,980,760

*Excluding cash on hand

Cash in banks and cash equivalents are limited to reputable banks duly approved by the Board of Directors, hence, high grade.

High grade receivables consist of receivable from customers, clearing house and other receivables which have a remote likelihood of default.

Standard grade of receivable consists of receivable from customers and other receivables with minimal instances of payment defaults.

Standard grade financial assets at FVPL consists of investment in shares of stock of companies traded in the PSE which have normal reaction to changes in market condition.

Market Risks

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates and equity prices.

The Company utilizes market risk factor sensitivities as a tool to manage market risk. Market risk factor sensitivities of a position are defined as a change in the value of a position caused by a unit shift in a given market factor. Market risk factor sensitivities include interest rate and foreign exchange sensitivities. The calculation of the factor sensitivities is obtained by measuring the effect of a one (1) unit increase in current interest rates and current foreign exchange rates or volatilities upon various product types.

As of December 31, 2023 and 2022, the Company has financial assets at FVPL amounting to P0.02 million and nil, respectively (see Notes 3, 7 and 23).

Interest Rate Risk

The Company's exposure to the risk of changes in market interest rates include cash and cash equivalents, which are subject to variable interest rates. This risk arises when there is a possible change on interest rate of +100 basis points and -100 basis points on December 31, 2023 and 2022 which will affect the future cash flows or fair value of financial instruments. These changes are considered to be reasonably possible based on observation of current market conditions. All other variables are held constant.

The management of interest rate risk involves maintenance of appropriate blend of financial instruments with consideration on the maturity profile.

Sensitivity Analysis

A 1% increase in interest rates would have decreased equity and net income by P0.23 million and P0.25 million for December 31, 2023 and 2022, respectively. A 1% decrease in interest rates, with other variables held constant, would have an equal but opposite impact on the Company's equity and net income.

This sensitivity analysis is based on interest rate variances that the Company considered to be reasonably possible at the reporting period.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has transactional currency exposure arising from providing and receiving services denominated in currencies other than the Company's functional currency which is the Philippine peso.

Information on the Company's foreign currency denominated monetary assets and their Philippine Peso equivalent are as follows:

	2023		2022	
	US Dollar	Philippine Peso Equivalent	US Dollar	Philippine Peso Equivalent
Cash in banks	\$900	P50,010	\$1,170	P65,233
	\$900	P50,010	\$1,170	P65,233

In translating the US-Dollar denominated financial instruments into Philippine peso, the exchange rates used were P55.567 to US\$1.00 and P55.755 to US\$1.00 as at December 31, 2023 and 2022, respectively.

The following table demonstrates the sensitivity to a reasonably possible change in the US Dollar exchange rate based on the past US Dollar exchange rates and macroeconomic forecast for 2023 and 2022, with all other variables held constant, of the Company's profit before income tax. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation at the period end for the following change in foreign currency rates:

Effect on Income before Tax

	2023	2022
In US Dollar		
Strengthened by 1.0%	(P500)	(P652)
Weakened by 1.00%	500	652

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

Equity Price Risk

The Company's price risk exposure at reporting date related to financial assets whose values will fluctuate as a result of changes in market prices, principally financial assets at FVPL. Such investment securities are subject to price risk due to changes in market values of instruments arising either from factors specific to individual instruments or their issuers or factors affecting all instruments traded in the market. The Company manages its risk arising from changes in market price by monitoring the changes in the market price of the investments.

The impact of equity price risk is immaterial in 2023 and 2022.

23. Fair Value Measurement

Comparison of Carrying Values and Fair Values

The carrying amounts and fair values and the categories of financial assets and liabilities presented in the statement of financial position are shown below:

	Note	2023		2022	
		Carrying Values	Fair Values	Carrying values	Fair Values
Financial Assets					
Cash and cash equivalents	5	P30,930,111	P30,930,111	P50,225,857	P50,225,857
Trade receivables - net	6, 22	900,880	900,880	-	-
Financial assets at FVPL	3, 7, 22	20,040	20,040	-	-
Other receivables	22	12,129	12,129	74,071	74,071
Refundable deposits	22	1,255,485	1,255,485	685,832	685,832
		33,118,645	33,118,645	50,985,760	50,985,760
Financial Liabilities					
Trade payables	12, 22	25,099,931	25,099,931	52,430	52,430
Other current liabilities*	22	663,848	663,848	5,399,102	5,399,102
		25,763,779	25,763,779	5,451,532	5,451,532
		P7,354,866	P7,354,866	P45,534,228	P45,534,228

*excluding payable to government agencies which non-financial liabilities

Because of their short-term nature, Management considers the carrying amounts recognized in the statement of financial position to be reasonable estimates of their fair values of cash and cash equivalents, trade receivables, other receivables, refundable deposits, trade payables and other current liabilities.

The refundable deposit carrying amount is based on the discounted future cash flow using zero coupon interest rate.

Fair Value Hierarchy Measurements

Financial assets at FVPL as at December 31, 2023 and 2022 are based on market price in PSE, thus, considered at level 1.

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable input).

There was no transfer of financial instruments between Level 1, 2, and 3 in 2023 and 2022.

24. Capital Management Objectives, Policies and Procedures

The Company's objective is to maintain and safeguard its ability to continue as a going concern entity and provide its shareholders a satisfactory return. The Company monitors its capital on the basis of the equity's carrying amount as presented on the face of its statement of financial position.

The Company's strategy is to maintain a gearing ratio not exceeding 80%. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	2023	2022
Net debt	P32,538,423	(P44,646,742)
Net equity	89,048,176	103,233,452
Total capital	P121,586,599	P58,586,710
Gearing ratio	27%	(76%)

The Company manages its capital structure and makes adjustments to it as changes in economic conditions arise.

Minimum Capital Requirement

On May 28, 2009, the Securities and Exchange Commission ("SEC") approved Memorandum Circular No. 2009-0316 or Rules Governing Trading Rights and Trading Participants, Art. III, Sec. 8(c). The guidelines states that "Trading Participants shall have a minimum unimpaired paid-up capital, as defined by the SEC of Twenty Million Pesos (P20,000,000) effective December 31, 2009. Provided further that effective December 31, 2010, and onwards, the minimum unimpaired paid-up capital shall be Thirty Million Pesos (P30,000,000)".

On April 15, 2010, PSE issued Memorandum Circular No.2010-0158 or Deferment of the Rule on Minimum Unimpaired Paid-up Capital for Trading Participants previously set to take effect on December 31, 2010.

On October 22, 2010, SEC approved Memorandum Circular No. 2010-0494 or Deferment on the Minimum Unimpaired Paid-up Capital for Trading Participants (TPs). The Memo states that "TPs with Unimpaired Paid-up Capital ("UPC") falling below Thirty Million pesos (P30,000,000) shall post surety bond amounting Ten Million (P10,000,000) for the period covering 1 January 2011 to 31 December 2011 until securities held and controlled by the TPs shall be recorded under the name of the individual clients in the books of the Transfer Agent." The deferral granted by the Commission is effective only for the period January 2011 until December 31, 2011. However, on November 8, 2010, the Commission has adopted SEC Resolution No. 489, series of 2010 stating the effectivity of the deferment from 01 January 2011 until 30 November 2011. Hence, all TPs must have complied with the Thirty Million UPC requirement by the year 2012.

The Company is in compliance with the minimum unimpaired paid-up capital with P101.20 million and P100.00 million as at December 31, 2023 and 2022, respectively.

Risk-based Capital Adequacy Rule

The Company being a registered broker in securities is subject to the stringent rules of the SEC and other regulatory agencies with respect to the maintenance of specific levels of RBCA ratios. RBCA is a ratio that compares the broker or dealer's total measured risk to its liquid capital. As a rule, the company must maintain an RBCA ratio of at least 120% and a net liquid capital (NLC) of at least P5.00 million or five percent (5%) of its aggregate indebtedness, whichever is higher. Also, the aggregate indebtedness (AI) of every stockbroker should not exceed two thousand percent (2,000%) of its NLC. In the event that the minimum RBCA ratio of 120% or the minimum NLC is breached, the company shall immediately cease doing business as a broker and shall notify the PSE and SEC. Total risk capital requirement amounted to nil and P0.43 million in 2022 and 2021. As of December 31, 2023 and 2022, the Company is compliant with the RBCA Rule.

The RBCA ratio of the Company based on the audited balances as of December 31, 2023 and 2022 are as follows:

	2023	2022
Net liquid capital (NLC)	(P31,605,374)	P -
Total risk capital requirement (TRCR)	1,957,086	-
RBCA ratio	-1,615%	0%

Based on the initial submission of RBCA calculation of the Company for the month of December 2023, the Company is compliant with the RBCA ratios, Net Liquid Capital (NLC), Total Risk Capital Requirement, and Ratio of AI to NLC, and other ratios required under the RBCA rule. However, based on the revised calculation, the Company will not be compliant with the requirements driven by the P37.50 million DFFS as at December 31, 2023 that were classified as advances from stockholders. As disclosed in Note 14, the Company is yet to file the application for the increase in authorized capital stock as at December 31, 2023 which the Company has informed SEC Markets and Securities Regulation Department (MSRD) and CMIC in December 2023.

Subsequently, the application for increase in authorized capital stock, including the other requirements, was filed and submitted to SEC on January 26, 2024. Thus, the advances from stockholders is subsequently classified to deposit for future stock subscription under equity account. As at January 31, 2024, the Company is compliant with the SEC requirements and RBCA rule.

In 2022, the Company has no trading operations, thus, RBCA report was not required to be filed.

25. Supplementary Information Required by the Bureau of Internal Revenue (BIR)

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

Based on RR No. 15-2010

A. VAT

1. Output VAT	P292,729
Account title used:	
Basis of the output VAT:	
Vatable sales	P1,170,916
	P1,170,916
2. Input VAT	
Balance at beginning of year	P431,068
Current year's domestic purchases:	
a. Domestic purchases of services	252,033
b. Domestic purchases of goods	78,419
Application of input VAT	(108,506)
	P653,014

B. Taxes on Importation

The Company does not have any customs duties or tariff fees in 2023 since it does not have any importation.

C. Excise Taxes

The Company has no transactions subject to excise taxes.

D. Documentary Stamp Tax

The Company has no transactions subject to documentary stamp taxes.

E. Withholding Taxes

	During the Year	Balance at Year-end
Tax on compensation and benefits	P732,569	P -
Expanded withholding taxes	232,050	22,949
	P964,619	P22,949

F. All Other Taxes (Local and National)

<i>Other taxes paid during the year recognized under Taxes and licenses account in "Operating costs"</i>		
License and permit fees		P112,028
		P112,028

G. Tax Assessments and Cases

As at December 31, 2023, the Company is not a party to any outstanding tax case and tax assessment that is under investigation, litigation and/or prosecution in courts or bodies outside BIR.

Based on RR No. 34-2020

In relation to Section 4 of BIR RR No. 34-2020, the Company is not covered by the prescribed requirements and procedures for the submission of BIR form No. 1709 *Information Return on Related Party Transactions*, Transfer Pricing Documentation and other supporting documents.



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Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

**REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING
WITH THE SECURITIES AND EXCHANGE COMMISSION**

The Board of Directors and Stockholders
DragonFi Securities, Inc. (formerly Tri-State Securities, Inc.)
Unit L2L16-09 PSE Tower at One Bonifacio
High Street 5th Ave Corner 28th St. BGC
Taguig City, 1634

We have audited in accordance with Philippine Standards on Auditing, the financial statements of DragonFi Securities Inc. (formerly Tri-State Securities, Inc.) (the Company) as at and for the year ended December 31, 2023 on which we have rendered our report dated April 30, 2024.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in the Schedules I to VII is the responsibility of the Company's management.

This supplementary information is presented for purposes of complying with Securities Regulation Code Rule 52.1, and is not a required part of the basic financial statements. Such 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.

R.G. MANABAT & CO.

FLORIZZA C. SIMANGAN
Partner
CPA License No. 0147917
Tax Identification No. 429-267-284
BIR Accreditation No. 08-001987-150-2022
Issued January 27, 2022; valid until January 26, 2025
PTR No. MKT 10075200
Issued January 2, 2024 at Makati City

April 30, 2024
Makati City, Metro Manila

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until September 20, 2026
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by BSP Monetary Board Resolution No. 2161, Transition clause)

DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)

OTHER DOCUMENTS TO BE FILED WITH THE FINANCIAL STATEMENTS

Financial Soundness Indicators

All secondary licensees of the Commission (financing companies, broker dealer of securities and underwriters) and public companies must present schedule showing financial soundness indicators in two comparative periods, as follows:

	2023	2022
Current Assets	P34,932,614	P53,141,929
Current Liabilities	63,468,534	5,579,115
Current Ratio	0.55	9.53
Total Liabilities	P63,468,534	P5,579,115
Equity	89,048,176	103,233,452
Debt to Equity Ratio	0.71	0.05
Total Assets	P152,516,710	P108,812,567
Total Liabilities	63,468,534	5,579,115
Solvency Ratio	2.40	19.50
Total Asset	P152,516,710	P108,812,567
Equity	89,048,176	103,233,452
Asset to Equity Ratio	1.71	1.05
Net Income before Interest and Income Tax	(P16,185,276)	(P7,537,478)
Interest Expense	-	-
Interest Rate Coverage Ratio	Nil	Nil
Net Income before Interest Expense	(P16,185,276)	(P7,537,478)
Total Assets	152,516,710	108,812,567
Return on Asset Ratio	(0.11)	(0.07)
Net Loss	(P16,185,276)	(P7,537,478)
Equity	89,048,176	103,233,452
Return on Equity Ratio	(0.18)	(0.07)

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

COVER PAGE

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

Report for the Years Ended December 31, 2023.

IDENTIFICATION OF BROKER OR DEALER	
Name of Broker/Dealer:	
Address of Principal Place of Business: Unit L2L16-09 PSE Tower One Bonifacio High St, 5 th Avenue cor 28 th St. BGC, Taguig City 1634	
Name and Phone Number of Person to Contact with Regard to this Report:	
Name: Cathryn Ann C. Lao	Tel. No. 0998 983 2855 Fax No. N/A
IDENTIFICATION OF ACCOUNTANT	
Name of Independent Auditor whose opinion is contained in this report:	
Name: Florizza C. Simangan R.G. Manabat & Co. Tel. No.: 8835-4655 CPA License No. 0147917 Fax No.: 8894-1985 SEC Accreditation No. 147917-SEC, Group A	
Address: The KPMG Center, 6/F 6787 Ayala Avenue, Makati City BIR Accreditation No. 08-001987-150-2022 Tax Identification No. 429-267-284 PTR No. MKT 10075200 Date Issued: January 2, 2024	

SCHEDULE I

**DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL
CREDITORS DECEMBER 31, 2023**

For the years up to 2023, DragonFi Securities, Inc. did not enter into any subordinating agreement and no changes were presented as required under Rule 52.1-5 of the Securities Regulation Code.

DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
COMPUTATION OF RISK-BASED CAPITAL ADEQUACY
WORKSHEET PURSUANT TO
SEC MEMORANDUM CIRCULAR NO. 16, SERIES OF 2004
DECEMBER 31, 2023

Assets	P152,516,710
Liabilities	63,468,534
Equity as per books	89,048,176
Adjustments to Equity per books	-
Add (Deduct):	-
Allowance for market decline	-
Subordinated Liabilities	-
Unrealized Gain / (Loss) in proprietary accounts	-
Deferred Income Tax	-
Revaluation Reserves	-
Deposit for Future Stock Subscription (No application with SEC)	-
Minority Interest	-
Total Adjustments to Equity per books	-
Equity Eligible For Net Liquid Capital	89,048,176
Contingencies and Guarantees	-
Deduct: Contingent Liability	-
Guarantees or indemnities	-
Ineligible Assets	-
a. Trading Right and all Other Intangible Assets (net)	114,559,355
b. Intercompany Receivables	-
c. Fixed Assets, net of accumulated and excluding those used as collateral	1,769,256
d. All Other Current Assets	2,383,585
e. Securities Not Readily Marketable	-
f. Negative Exposure (SCCP)	-
g. Notes Receivable (non-trade related)	-
h. Interest and Dividends Receivables outstanding for more than 30 days	-
i. Ineligible Insurance claims	-
j. Ineligible Deposits	-
k. Short Security Differences	-
l. Long Security Differences not resolved prior to sale	-
m. Other Assets including Equity Investment in PSE	1,941,354
Total ineligible assets	120,653,550

Forward

DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
COMPUTATION OF RISK-BASED CAPITAL
ADEQUACY
WORKSHEET PURSUANT TO
SEC MEMORANDUM CIRCULAR NO. 16
DECEMBER 31, 2023

Net Liquid Capital (NLC)	(31,605,374)
Less:	
Operational Risk Reqt (Schedule ORR-1)	1,950,072
Position Risk Reqt (Schedule PRR-1)	7,014
Counterparty Risk (Schedule CRR-1 and detailed schedules)	-
Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)	-
LERR to a single client (LERR-1)	-
LERR to a single debt (LERR-2)	-
LERR to a single issuer and group of companies (LERR-3)	-
Total Risk Capital Requirement (TRCR)	1,957,086
Net RBCA Margin (NLC-TRCR)	(33,562,460)
Liabilities	63,468,534
Add: Deposit for Future Stock Subscription (No application with SEC)	37,500,000
Less: Exclusions from Aggregate Indebtedness	-
Subordinated Liabilities	-
Loans secured by securities	-
Loans secured by fixed assets	-
Others	-
Total adjustments to AI	37,500,000
Aggregate Indebtedness	100,968,534
5% of Aggregate Indebtedness	5,048,426
Required Net Liquid Capital (> of 5% of AI or P5M)	5,048,246
Net Risk-based Capital Excess / (Deficiency)	(36,653,800)
Ratio of AI to Net Liquid Capital	(319.47%)
RBCA Ratio (NLC / TRCR)	(1,614.92%)

**DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
INFORMATION RELATING TO THE POSSESSION OR
CONTROL REQUIREMENTS UNDER
SRC RULE 49.2
DECEMBER 31, 2023**

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

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

Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Securities Regulation Code Rule No. 49.2:

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

SCHEDULE IV

DRAGONFI SECURITIES INC.
(Formerly Tri-State Securities, Inc.)
COMPUTATION FOR DETERMINATION OF
RESERVE REQUIREMENTS UNDER
SRC RULE 49.2
DECEMBER 31, 2023

Particulars	Credits	Debits
1. Free credit balance and other credit balance in customers' security accounts.	P23,494,298	P -
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.	1,605,633	-
5. Customer balances in firm accounts, which are attributable to principal sales to customers.	-	-
6. Market value of stock dividends stock splits and similar distribution 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 deliver on customers' securities failed to delivery.	-	-
12. Failed to delivery customers' securities not older than 30 calendar days.	-	894,842
13. Others - sales/purchases of marketable securities.	-	-
Total	P25,099,931	P894,842
Net Credit (Debit)	P -	P24,205,089
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)		25,415,343
Special reserved bank account	P26,235,450	P26,235,450
Additional deposit required		P -

SCHEDULE V

**DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
A REPORT DESCRIBING ANY MATERIAL INADEQUACIES
FOUND TO EXIST OR FOUND TO HAVE EXISTED SINCE THE DATE
OF THE PREVIOUS AUDIT
DECEMBER 31, 2023**

During the current year audit, no material inadequacies were found to exist or found to have existed since the date of the previous audit.

SCHEDULE VI

**DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
RESULTS OF MONTHLY SECURITIES COUNT
CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED, AS OF THE DATE
OF THE STATEMENT OF FINANCIAL POSITION IN THE ANNUAL AUDITED
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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

SCHEDULE VII

1 of 4

**DRAGONFI SECURITIES, INC.
(Formerly Tri-State Securities, Inc.)
Stock Location as of December 31, 2023**

SECURITY	NAME OF ISSUE	STOCK POSITION		WITH PCD		CERTIFICATE		DTL / URDT		NO. OF SHARES	VALUE
		NO. OF SHARES	VALUE	NO. OF SHARES	VALUE	NO. OF SHARES	VALUE	NO. OF SHARES	VALUE		
AAA	ASIA AMALGAMATED CORP.	96,000	154,560	96,000	154,560	-	-	-	-	-	-
AB	ATOK BIG WEDGE	500	2750	500	2750	-	-	-	-	-	-
ABA	ABACORE CAPITAL HOLDINGS, INC.	5,740,000	5,625,200	5,740,000	5,625,200	-	-	-	-	-	-
ABS	ABS-CBN	5,110	23,455	5,110	23,455	-	-	-	-	-	-
AC	AYALA CORPORATION	3,865	2,728,690	3,865	2,728,690	-	-	-	-	-	-
ACEN	ACEN CORPORATION	414,636	1,803,667	414,636	1,803,667	-	-	-	-	-	-
ACENA	ACEN CORP SERIES A PREF SHARES	200	213,000	200	213,000	-	-	-	-	-	-
ACENB	ACEN CORP SERIES B PREF SHARES	4,160	4,409,600	4,160	4,409,600	-	-	-	-	-	-
ACPAR	AYALA CORPORATION CLASS A PREFERRED	295	739,860	295	739,860	-	-	-	-	-	-
AEV	ABOITIZ EQUITY	2,670	130,830	2,670	130,830	-	-	-	-	-	-
AGI	ALLIANCE GLOBAL GROUP, INC.	76,500	865,980	76,500	865,980	-	-	-	-	-	-
ALI	AYALA LAND	55,200	1,890,600	55,200	1,890,600	-	-	-	-	-	-
ALLDY	ALLDAY MARTS, INC.	2,704,000	427,232	2,704,000	427,232	-	-	-	-	-	-
ALLHC	AYALA LAND LOGISTICS HOLDINGS CORP.	125,000	220,000	125,000	220,000	-	-	-	-	-	-
ALTER	ALTERNERGY HOLDINGS CORP.	518,000	404,040	518,000	404,040	-	-	-	-	-	-
ANI	AGRINURTURE, INC.	82,500	65,175	82,500	65,175	-	-	-	-	-	-
ANS	ANSCOR	9,968	119,616	9,968	119,616	-	-	-	-	-	-
AP	ABOITIZ POWER CORP	64,832	2,450,650	64,832	2,450,650	-	-	-	-	-	-
APL	APOLLO GLOBAL CAPITAL, INC.	11,399,300,000	159,590,200	11,399,300,000	159,590,200	-	-	-	-	-	-
APO	ANGLO-PHIL	8,000	3,600	8,000	3,600	-	-	-	-	-	-
APVI	ALTUS PROPERTY VENTURES INC	87,305	811,063	87,305	811,063	-	-	-	-	-	-
APX	APEX MINING A	74,000	224,960	74,000	224,960	-	-	-	-	-	-
AREIT	AYALA LAND INC REIT	5,900	198,535	5,900	198,535	-	-	-	-	-	-
ASLAG	RASLAG CORP.	210,000	258,300	210,000	258,300	-	-	-	-	-	-
ATI	ASIAN TERMINALS	6,300	97,524	6,300	97,524	-	-	-	-	-	-
ATN	ATN HOLDINGS A	20,000	7,600	20,000	7,600	-	-	-	-	-	-
AUB	ASIA UNITED BANK CORPORATION	2,280	74,100	2,280	74,100	-	-	-	-	-	-
AXLM	AXELUM RESOURCES CORP	22,000	50,600	22,000	50,600	-	-	-	-	-	-
BALAI	BALAI NI FRUITAS INC.	52,000	20,280	52,000	20,280	-	-	-	-	-	-
BDO	BDO UNIBANK, INC	6,060	764,772	6,060	764,772	-	-	-	-	-	-
BEL	BELLE CORP.	19,000	22,230	19,000	22,230	-	-	-	-	-	-
BF	BANCO FILIPINO	25	2,250	25	2,250	-	-	-	-	-	-
BLOOM	BLOOMBERRY	68,900	693,134	68,900	693,134	-	-	-	-	-	-
BPI	BANK OF PHILIPPINE ISLAND	1,100	113,850	1,100	113,850	-	-	-	-	-	-
BRN	A BROWN CO., INC.	17,057	11,087	17,057	11,087	-	-	-	-	-	-
BRNP	A BROWN CO. INC. SERIES A PREF SHARES	100	9,800	100	9,800	-	-	-	-	-	-
CA	CONCRETE AGGREGARTES A	8,600	488,910	8,600	488,910	-	-	-	-	-	-
CAL	CALATA CORPORATION	5,600	11,424	5,600	11,424	-	-	-	-	-	-
CDC	CITYLAND DEV. CORP	60,000	42,000	60,000	42,000	-	-	-	-	-	-

SCHEDULE VII

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SECURITY	NAME OF ISSUE	STOCK POSITION		WITH PCD		CERTIFICATE		DTL / URDT		NO. OF SHARES	VALUE
		NO. OF SHARES	VALUE	NO. OF SHARES	VALUE	NO. OF SHARES	VALUE	NO. OF SHARES	VALUE		
CEB	CEBU AIR, INC	18,300	599,325	18,300	599,325	-	-	-	-	-	-
CEBCP	CEBU AIR INC	200	6,500	200	6,500	-	-	-	-	-	-
CEU	CENTRO ESCOLAR UNIV	3,300	28,050	3,300	28,050	-	-	-	-	-	-
CHI	CEBU HOLDINGS, INC	375	2,295	375	2,295	-	-	-	-	-	-
CHIB	CHINA BANKING CORP.	4,900	151,655	4,900	151,655	-	-	-	-	-	-
CHP	CEMEX HOLDINGS PHILIPPINES, INC	3,478	3,235	3,478	3,235	-	-	-	-	-	-
CLI	CEBU LANDMASTERS INC	455,800	1,162,290	455,800	1,162,290	-	-	-	-	-	-
CNPF	CENTURY PACIFIC FOOD, INC.	400	12,400	400	12,400	-	-	-	-	-	-
CNVRG	CONVERHE INFORMATION AND COMMUNICATION	325,000	2,765,750	325,000	2,765,750	-	-	-	-	-	-
COL	COL FINANCIAL	4,000	10,320	4,000	10,320	-	-	-	-	-	-
COSCO	COSCO CAPITAL, INC.	53,300	253,708	53,300	253,708	-	-	-	-	-	-
CPM	CENTURY PEAK HOLDINGS CORPORATION	1,000	3,220	1,000	3,220	-	-	-	-	-	-
CREIT	CITICORE ENERGY REIT CORP	10,000	25,800	10,000	25,800	-	-	-	-	-	-
CROWN	CROWN ASIA CHEM CORP COMMON SHARES	64,000	99,200	64,000	99,200	-	-	-	-	-	-
DD	DOUBLE DRAGON CORPORATION	24,400	193,248	24,400	193,248	-	-	-	-	-	-
DDPR	DOUBLE DRAGON CORPORATION – PREF	4,250	405,875	4,250	405,875	-	-	-	-	-	-
DHI	DOMINION HOLDINGS, INC.	43,263	136,711	43,263	136,711	-	-	-	-	-	-
DITO	DITO CME HOLDINGS CORP	254,000	599,440	254,000	599,440	-	-	-	-	-	-
DMC	DMCI HOLDINGS	607,900	6,030,368	607,900	6,030,368	-	-	-	-	-	-
DNA	PHILAB HOLDINGS CORP	5,800	16,588	5,800	16,588	-	-	-	-	-	-
DNL	DNL INDUSTRIES, INC.	52,200	331,992	52,200	331,992	-	-	-	-	-	-
ECVVC	EAST COAST VULCAN CORPORATION	39,000	24,180	39,000	24,180	-	-	-	-	-	-
EEI	EEI CORP	69,400	415,012	69,400	415,012	-	-	-	-	-	-
EEIPB	EEI CORPORATION SERIES B	10	969	10	969	-	-	-	-	-	-
EG	IP E-GAME VENTURES INC.	100,000	940	100,000	940	-	-	-	-	-	-
EIBA	EXPORT & INDUSTRY BANK, INC.	1,150,000	299,000	1,150,000	299,000	-	-	-	-	-	-
EMI	EMPERADOR INC.	500	10,350	500	10,350	-	-	-	-	-	-
EW	EAST WEST BANKING CORP.	236,350	2,032,610	236,350	2,032,610	-	-	-	-	-	-
FB	SAN MIGUEL FOOD AND BEVERAGE, INC.	3,049	154,889	3,049	154,889	-	-	-	-	-	-
FCG	FIGARO COFFEE GROUP, INC.	1,371,000	850,020	1,371,000	850,020	-	-	-	-	-	-
FGEN	FIRST GEN CORPORATION	43,800	779,640	43,800	779,640	-	-	-	-	-	-
FLI	FILINVEST LAND	228,671	139,489	228,671	139,489	-	-	-	-	-	-
FMETF	FIRST METRO PHILIPPINE EQUITY EXCHANGE	6,020	618,856	6,020	618,856	-	-	-	-	-	-
FNI	GLOBAL FERRONICKEL HOLDINGS INC	9,000	18,630	9,000	18,630	-	-	-	-	-	-
FPH	FIRST PHIL. HOLDINGS	1,275	79,943	1,275	79,943	-	-	-	-	-	-
FRUIT	FRUITAS HOLDINGS INC	308,000	295,680	308,000	295,680	-	-	-	-	-	-
GEO	GEOGRACE	12,857	347	12,857	347	-	-	-	-	-	-
GERI	GLOBAL-ESTATE	35,100	29,484	35,100	29,484	-	-	-	-	-	-
GLO	GLOBE TELECOMS	1,500	2,584,500	1,500	2,584,500	-	-	-	-	-	-
GMA7	GMA NETWORK, INC	34,900	301,187	34,900	301,187	-	-	-	-	-	-
GO	GOTESCO LAND, INC.A	2,333	327	2,333	327	-	-	-	-	-	-
GOB	GOTESCO LAND, INC.B	10,732	1,824	10,732	1,824	-	-	-	-	-	-
GREEN	GREENENERGY HOLDINGS	2,278,001	526,218	2,278,001	526,218	-	-	-	-	-	-
GSMI	GINERBRA SAN MIGUEL INC.	530	87,980	530	87,980	-	-	-	-	-	-
GTCAP	GT CAPITAL HOLDINGS, INC.	4,229	2,526,828	4,229	2,526,828	-	-	-	-	-	-
HOME	ALLHOME CORP	792,000	942,480	792,000	942,480	-	-	-	-	-	-
ICT	INTL. CONTAINER TERMINAL	6,800	1,698,640	6,800	1,698,640	-	-	-	-	-	-
IDC	ITALPINAS DEVELOPMENT CORPORATION	64,000	43,520	64,000	43,520	-	-	-	-	-	-

SCHEDULE VII

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SECURITY	NAME OF ISSUE	STOCK POSITION		WITH PCD		CERTIFICATE		DTL / URDT		NO. OF SHARES	VALUE
		NO. OF SHARES	VALUE	NO. OF SHARES	VALUE	NO. OF SHARES	VALUE	NO. OF SHARES	VALUE		
IMI	INTEGRATED MICRO-ELECTRONICS, INC	25,000	79,750	25,000	79,750	-	-	-	-	-	-
INFRA	PHILIPPINE INFRADEV HOLDINGS INC	149,000	78,970	149,000	78,970	-	-	-	-	-	-
ION	IONICS, INC	177,000	177,000	177,000	177,000	-	-	-	-	-	-
JFC	JOLLIBEE	17,283	4,400,252	17,283	4,400,252	-	-	-	-	-	-
JGS	JG SUMMIT	22,080	883,200	22,080	883,200	-	-	-	-	-	-
KEEPR	THE KEEPERS HOLDINGS INC	159,000	230,550	159,000	230,550	-	-	-	-	-	-
LAND	CITY & LAND DEV, INC.	100,650	76,494	100,650	76,494	-	-	-	-	-	-
LODE	LODESTAR INVESTMENT HOLDINGS	285,000	112,575	285,000	112,575	-	-	-	-	-	-
LPZ	LOPEZ HOLDINGS	5,100	21,675	5,100	21,675	-	-	-	-	-	-
LTG	LT GROUP, INC.	169,800	1,541,784	169,800	1,541,784	-	-	-	-	-	-
MA	MANILA MINING A	4,000,000	18,800	4,000,000	18,800	-	-	-	-	-	-
MAB	MANILA MINING A	2,000,500	8,602	2,000,500	8,602	-	-	-	-	-	-
MAC	MACROASIA CORP.	3,799,150	15,006,643	3,799,150	15,006,643	-	-	-	-	-	-
MARC	MARCVENTURES HOLDINGS, INC.	99,900	107,892	99,900	107,892	-	-	-	-	-	-
MBT	METROBANK	11,340	601,587	11,340	601,587	-	-	-	-	-	-
MCB	MARSTEEL CONSOLIDATED	1,000,000	20,000	1,000,000	20,000	-	-	-	-	-	-
MEDIC	MEDLINES DISTRIBUTORS INCORPORATED	60,000	19,200	60,000	19,200	-	-	-	-	-	-
MEG	MEGAWORLD CORPORATION	903,400	1,788,732	903,400	1,788,732	-	-	-	-	-	-
MER	MERALCO	5,160	2,033,040	5,160	2,033,040	-	-	-	-	-	-
MGH	METRO GLOBAL HOLDINGS	10,500	10,500	10,500	10,500	-	-	-	-	-	-
MM	MERRYMART CONSUMER	3,874,401,922	3,951,889,960	3,874,401,922	3,951,889,960	-	-	-	-	-	-
MON	MONDRAGON	173,120	17,312	173,120	17,312	-	-	-	-	-	-
MONDE	MONDE NISSIN CORP	142,200	1,215,810	142,200	1,215,810	-	-	-	-	-	-
MRC	MRC ALLIED, INC.	11,300	15,707	11,300	15,707	-	-	-	-	-	-
MVC	MABUHAY VINYL	15,500	90,830	15,500	90,830	-	-	-	-	-	-
MWC	MANILA WATER COMPANY	11,500	214,820	11,500	214,820	-	-	-	-	-	-
MWIDE	MWIDE	128,100	394,548	128,100	394,548	-	-	-	-	-	-
MWP5	MEGAWIDE CONSTRUCTION CORPORATION	6,700	678,710	6,700	678,710	-	-	-	-	-	-
NIKL	NICKEL ASIA CORPORATION	33,100	173,775	33,100	173,775	-	-	-	-	-	-
NOW	NOW CORPORATION	146,000	162,060	146,000	162,060	-	-	-	-	-	-
NXGEN	NEXT GENESIS CORPORATION	53,800	376,600	53,800	376,600	-	-	-	-	-	-
OPM	ORIENTAL PET & MIN. A	2,000,000	16,000	2,000,000	16,000	-	-	-	-	-	-
PCOR	PETRON	3,939	13,787	3,939	13,787	-	-	-	-	-	-
PCP	PICOP RESOURCES	505,545	103,637	505,545	103,637	-	-	-	-	-	-
PECB	PNOC EXPLO. B	500	20,000	500	20,000	-	-	-	-	-	-
PGOLD	PUREGOLD PRICE CLUB, INC.	10,700	291,040	10,700	291,040	-	-	-	-	-	-
PHA	PREMIERE HORIZON	65,000	10,725	65,000	10,725	-	-	-	-	-	-
PHES	PHIL. ESTATES CORP.	2,000	640	2,000	640	-	-	-	-	-	-
PHN	PHINMA CORPORATION	62	1,265	62	1,265	-	-	-	-	-	-
PHR	PH RESORTS GROUP HOLDINGS, INC	620,000	545,600	620,000	545,600	-	-	-	-	-	-
PIZZA	SHAKEYS PIZZA ASIA VENTURES INC	900	8,874	900	8,874	-	-	-	-	-	-
PLC	PREMIUM LEISURE CORP.	1,235,000	839,800	1,235,000	839,800	-	-	-	-	-	-
PLUS	DIGIPLUS INTERACTIVE CORP.	579,700	4,817,307	579,700	4,817,307	-	-	-	-	-	-
PNB	PHILIPPINE NATIONAL BANK	2,200	40,656	2,200	40,656	-	-	-	-	-	-
PNC	PHIL. NATIONAL CONST.	4,000	19,600	4,000	19,600	-	-	-	-	-	-
PNX4	PPPI SERIES 4 PREF SHARES	10	2,328	10	2,328	-	-	-	-	-	-
PPC	PRYCE CORPORATION	24,900	130,725	24,900	130,725	-	-	-	-	-	-
PRF4A	PETRON CORP SERIES A PREFERRED	100	100,000	100	100,000	-	-	-	-	-	-
PRF4C	PETRON CORP SERIES C PREFERRED	1,540	1,498,420	1,540	1,498,420	-	-	-	-	-	-
PRIM	PRIME MEDIA HOLDINGS, INC	175,000	495,250	175,000	495,250	-	-	-	-	-	-
PRMX	PRIMEX CORPORATION	62,000	160,580	62,000	160,580	-	-	-	-	-	-
PSB	PHIL. SAVINGS BANK	200	11,150	200	11,150	-	-	-	-	-	-

SCHEDULE VII

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SECURITY	NAME OF ISSUE	STOCK POSITION		WITH PCD		CERTIFICATE		DTL / URDT		NO. OF SHARES	VALUE
		NO. OF SHARES	VALUE	NO. OF SHARES	VALUE	NO. OF SHARES	VALUE	NO. OF SHARES	VALUE		
PSE	PHILIPPINE STOCK EXCHANGE	50	8,850	50	8,850	-	-	-	-	-	-
PTT	PHILIPPINE TELEGRAPH & TELEPHONE CORP	325,000	107,250	325,000	107,250	-	-	-	-	-	-
PX	PHILEX	21,030	68,978	21,030	68,978	-	-	-	-	-	-
PXP	PXP ENERGY CORPORATION	132	498	132	498	-	-	-	-	-	-
RCB	RIZAL COMMERCIAL BANKING CORPORATION	4,700	108,100	4,700	108,100	-	-	-	-	-	-
RCR	RL COMMERCIAL REIT, INC.	1,000	5,040	1,000	5,040	-	-	-	-	-	-
REDC	REPOWER ENERGY DEVELOPMENT CORP	22,200	157,398	22,200	157,398	-	-	-	-	-	-
RFM	RFM CORP.	61,000	183,000	61,000	183,000	-	-	-	-	-	-
RLC	ROBINSON LAND	7,904	124,725	7,904	124,725	-	-	-	-	-	-
RLT	PHIL. REALTY & HOLDINGS	770,000	103,950	770,000	103,950	-	-	-	-	-	-
ROCK	ROCKWELL LAND CORPORATION	54,000	73,980	54,000	73,980	-	-	-	-	-	-
RPC	REYNOLDS PHILS.	562,844	84,427	562,844	84,427	-	-	-	-	-	-
RRHI	ROBINSON LAND	22,730	918,292	22,730	918,292	-	-	-	-	-	-
SCC	SEMIRARA MINING AND POWER CORPORATION	58,100	1,760,430	58,100	1,760,430	-	-	-	-	-	-
SECB	SECURITY BANK	21,540	1,541,187	21,540	1,541,187	-	-	-	-	-	-
SEVN	PHILIPPINE SEVEN CORP.	1,100	82,500	1,100	82,500	-	-	-	-	-	-
SGI	SOLID GROUP	10,000	9,400	10,000	9,400	-	-	-	-	-	-
SGP	SYNERGY GRID	146,390	957,391	146,390	957,391	-	-	-	-	-	-
SHLPH	SHELL PILIPINAS CORP.	3,700	40,256	3,700	40,256	-	-	-	-	-	-
SHNG	SHANG PROPERTIES, INC.	149,739	552,537	149,739	552,537	-	-	-	-	-	-
SM	SM INVESTMENTS CORP	980	861,420	980	861,420	-	-	-	-	-	-
SMC	SAN MIGUEL	76,940	6,498,692	76,940	6,498,692	-	-	-	-	-	-
SMPH	SM PRIME HOLDINGS	10,000	322,500	10,000	322,500	-	-	-	-	-	-
SPC	SPC POWER CORPORATION	15,200	106,552	15,200	106,552	-	-	-	-	-	-
SPNEC	SP NEW ENERGY CORPORATION	220,005	294,807	220,005	294,807	-	-	-	-	-	-
SSI	SSI GROUP, INC.	57,000	141,360	57,000	141,360	-	-	-	-	-	-
SUN	SUNTRUST RESORT HOLDINGS, INC	321,000	256,800	321,000	256,800	-	-	-	-	-	-
SWM	SANITARY WARES MFG	4,000	800	4,000	800	-	-	-	-	-	-
TBGI	TRANSPACIFIC BROADBAND GROUP	70,000	9,310	70,000	9,310	-	-	-	-	-	-
TECH	CIRTEK HOLDINGS PHILLIPINES CORP	158,000	255,960	158,000	255,960	-	-	-	-	-	-
TEL	PLDT INC.	2,247	2,858,184	2,247	2,858,184	-	-	-	-	-	-
TUGS	HARBOR STAR SHIPPING SERVICES, INC.	50,000	38,500	50,000	38,500	-	-	-	-	-	-
UBP	UNION BANK	42,672	2,073,859	42,672	2,073,859	-	-	-	-	-	-
UNI	UNIOIL RES. & HOLDINGS	3,000	738	3,000	738	-	-	-	-	-	-
UP	UNIVERSAL RIGHTFIELD	3,980,500	151,259	3,980,500	151,259	-	-	-	-	-	-
URC	UNIVERSAL ROBINA	4,630	555,137	4,630	555,137	-	-	-	-	-	-
UW	UNIWIDE HOLDINGS	1,006,000	135,810	1,006,000	135,810	-	-	-	-	-	-
VITA	VITARICH	300,000	150,000	300,000	150,000	-	-	-	-	-	-
VLL	VISTA LAND & LIFESCAPES	117,000	195,390	117,000	195,390	-	-	-	-	-	-
VMC	VICTORIAS MILLING CO. INC.	35,000	108,500	35,000	108,500	-	-	-	-	-	-
VVT	VIVANT CORPORATION	187	2,659	187	2,659	-	-	-	-	-	-
WEB	PHILWEB CORPORATION	107,000	179,760	107,000	179,760	-	-	-	-	-	-
WLCON	WILCON DEPOT INC	35,300	797,780	35,300	797,780	-	-	-	-	-	-
X	XURPAS INC	101,000	22,220	101,000	22,220	-	-	-	-	-	-
			<u>4,227,553,585</u>		<u>4,227,553,585</u>						

Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph>

Tue 4/30/2024 5:10 PM

To:Legal <legal@dragonfi.ph>

Cc:Melanie Madelo <melanie.madelo@dragonfi.ph>

Hi DRAGONFI SECURITIES INC,

Valid file

- EAFS000704920AFSTY122023.pdf

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- <None>

Transaction Code: **AFS-0-BJKCBBAJOB6579JABMQSNTTW30CJHL68B7**

Submission Date/Time: **Apr 30, 2024 05:09 PM**

Company TIN: **000-704-920**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

Re: SEC FORM 52 AR

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph>

Tue 4/30/2024 4:58 PM

To:Melanie Madelo <melanie.madelo@dragonfi.ph>

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

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

----- NOTICE TO
COMPANIES -----

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

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

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

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

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

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

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

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

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

For your information and guidance.

Thank you.

SEC FORM 52 AR

Melanie Madelo <melanie.madelo@dragonfi.ph>

Tue 4/30/2024 4:58 PM

To: ICTD Submission <ictdsubmission@sec.gov.ph>

 1 attachments (1 MB)

DragonFi Securities 2023 AFS - SEC.pdf;

Hi,

Attached herewith is Dragonfi Securities Inc SEC form 52 AR for the Year 2023 (AAFS 2023).

Kindly acknowledge receipt.

Thanks.

Lanie