



PEREZ, SESE, VILLA & Co.
CERTIFIED PUBLIC ACCOUNTANTS



ANNUAL REPORT



admin@pse-co.com



(02) 8 994-3984



9th Flr. Unit C MARC 2000 Tower
1573 Taft Ave. cor. San Andres St.
Malate, Manila 1004

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.

FINANCIAL STATEMENTS
December 31, 2023 and 2022

and

Report of Independent Auditors

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

ANNUAL AUDITED FINANCIAL REPORT

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

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

IDENTIFICATION OF BROKER OR DEALER	
Name of Broker / Dealer: <u>GOLDEN TOWER SECURITIES AND HOLDINGS, INC.</u>	
Address of Principal Place of Business: <u>Unit 6-O Vernida I Condominium</u> <u>120 Amorsolo Street, Makati City</u>	
Name and Phone Number of Person to Contact in Regard to this Report	
Name: <u>Ryan Dellosa</u>	Tel. No. <u>8892-1316</u>
	Fax No. _____

IDENTIFICATION OF ACCOUNTANT	
Name of Independent Certified Public Accountant whose opinion is contained in this report:	
Name: <u>MA. ALMA C. SESE</u>	Tel. No. <u>8994-3984</u>
	Fax No. _____
Address: <u>9th Floor Unit C Marc 2000 Tower, 1973 Taft cor San Andres,</u> <u>Malate, Manila</u>	
Certificate Number: <u>54588</u>	
PTR Number : <u>15333625</u>	Date Issued: <u>January 4, 2024</u>

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
TABLE OF CONTENTS

ANNUAL AUDITED FINANCIAL REPORT PACKAGE
DECEMBER 31, 2023

	Submitted
Cover Page	<u>X</u>
Statement of Management Responsibility	<u>X</u>
Statement of Independence	<u>X</u>
Supplemental Statement of Independent Auditors	<u>X</u>
Report of Independent Auditors on Supplementary Schedules filed separately from the Basic Financial Statements	<u>X</u>
Report of Independent Auditors	<u>X</u>
Financial Statements:	
Statements of Financial Position	<u>X</u>
Statements of Comprehensive Income	<u>X</u>
Statements of Changes in Equity	<u>X</u>
Statements of Cash Flows	<u>X</u>
Notes to Financial Statements	<u>X</u>
Supplementary Schedules	
Schedule I Statement of Changes in Liabilities Subordinated to Claims of General Creditors	<u>X</u>
Schedule II Computation of Risk Based Capital Adequacy per SRC Rule 49.1-1	<u>X</u>
Schedule III Information Relating to Possession or Control Requirements Under Appendix F of SRC Rule 49.2-1	<u>X</u>
Schedule IV Computation of Determination of Reserve Requirements Under Appendix G of SRC Rule 49.2	<u>X</u>
Schedule V A Report Describing any Material Inadequacies Found to Exist or Found to Have Existed since the Previous Audit	<u>X</u>
Schedule VI Results of Monthly Securities count conducted pursuant to SRC Rule 52.1-10 as of the Date of the Balance Sheet Included in the Annual Audited Financial Report Package	<u>X</u>
Schedule VII Financial Soundness Indicators	<u>X</u>
Schedule VIII Reconciliation of Retained Earnings Available for Dividends Declaration	<u>X</u>



GOLDEN TOWER

SECURITIES and HOLDINGS, INC.

MEMBER: PHILIPPINE STOCK EXCHANGE

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

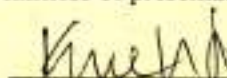
The management of **GOLDEN TOWER SECURITIES AND HOLDINGS, INC.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2023 and 2022, in accordance with the prescribed financial reporting framework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

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

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

The **Board of Directors** reviews and approves the financial statements and submits the same to the shareholders of the Company.

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


KENNETH S. LAO
Chairman of the Board


KENNETH S. LAO
President


BEATRIZ R. LAO
Treasurer

Signed 20th day of March 2024.

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the **MAKATI CITY** Philippines, this **19 APR 2024**, affiants who are personally known to me and whose identity I have confirmed through their competent evidence of identity bearing the affiants photograph and signature.

NAMES

COMPETENT
EVIDENCE OF IDENTITY

DATE AND PLACE ISSUED

KENNETH S. LAO
BEATRIZ R. LAO

Passport P08810580
Passport P8552512A

ATTY. JOSE LINO SUCION CPA
NOTARY PUBLIC FOR MAKATI CITY
03/01/2019 - 03/01/2025

08/31/2018 - 03/01/2025

2746 ZENaida St. POSTALION, MAKATI CITY

IBP NO. 384445/01/01/2024

PTR NO. 10072076/01/02/2024

MCLE COMPLAINT NO. VII-0013028/04-14-2025

ROLL NO. 60799

APPOINTMENT NO. M-018

Doc. No. **367**

Page No. **62**

Book No. **39**

24

Unit 6-O Vernida 1 Condominium, 120 Amorsolo Street, Legazpi Village, Makati City
Tel.: (632) 8892-1316



SUPPLEMENTAL STATEMENT OF INDEPENDENT AUDITORS

To The Board of Directors


GOLDEN TOWER SECURITIES AND HOLDINGS, INC.

Unit 6-O Vernida I Condominium, 120 Amorsolo St.,
Legaspi Village, Makati City

We have audited the financial statements **GOLDEN TOWER SECURITIES AND HOLDINGS, INC.** for the year ended December 31, 2023, on which we have rendered the attached report dated March 20, 2024.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Company has ten (10) shareholders owning one hundred (100) or more shares each of the Company's capital stock as of December 31, 2023, as disclosed in Note 18 of the financial statements.

PEREZ, SESE, VILLA & CO.

BY: 
MA. ALMA C. SESE
MANAGING PARTNER

CPA License No. 0054588

Tax Identification No. 212-955-173-000

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

SEC Accreditation No:

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

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

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

IC Accreditation No.

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

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

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

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

Manila, Philippines
March 20, 2024



REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES


To the Board of Directors

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.

Unit 6-O Vernida I Condominium, 120 Amorsolo St.,
Legaspi Village, Makati City

We have audited the financial statements of **GOLDEN TOWER SECURITIES AND HOLDINGS, INC.** as at and for the year ended December 31, 2023 in accordance with Philippine Standards on Auditing on which we have rendered an unqualified opinion dated March 20, 2024. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedules I to VIII, as required by the Securities and Exchange Commission under the Revised Securities Regulation Code Rule 68, are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information are the responsibility of management and have been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PEREZ, SESE, VILLA & CO.

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

CPA License No. 0054588

Tax Identification No. 212-955-173-000

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

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Manila, Philippines
March 20, 2024



REPORT OF INDEPENDENT AUDITORS

To the Board of Directors

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.

Unit 6-O Vernida I Condominium, 120 Amorsolo St.,
Legaspi Village, Makati City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **GOLDEN TOWER SECURITIES AND HOLDINGS, INC.** (the Company), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including material accountancy policy information.

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

Basis for Opinion

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2023 required by the Bureau of Internal Revenue as disclosed in Note 29 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PEREZ, SESE, VILLA & CO.

BY: 
MA. ALMA C. SESE
MANAGING PARTNER

CPA License No. 0054588

Tax Identification No. 212-955-173-000

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

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

Manila, Philippines

March 20, 2024

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and 2022

	Notes	2023	Security Position (2023)		2022	Security Position (2022)	
			Long	Short		Long	Short
ASSETS							
Current Assets							
Cash	4.5.6	15,026,320	P	-	P	21,734,124	P
Financial asset at fair value through profit or loss	4.5.7	12,385,384	P	-	-	15,820,667	-
Receivable from customers	4.5.8	6,127,897	-	-	-	2,995,343	-
Receivable to clearing house	4.5.9	548,372	-	-	-	-	-
Advances to employees	4.5.10	35,018	-	-	-	96,181	-
Prepayments and other current assets	4.5.11	641,491	-	-	-	549,206	-
Total Current Assets		34,764,482	44,962,038	-	41,195,521	124,735,910	-
Non-Current Assets							
Property and equipment, net	4.5.12	137,322	-	-	-	158,739	-
Right of use asset, net	4.5.25	641,995	-	-	-	157,560	-
Intangible asset	4.5.13	8,000,000	-	-	-	8,000,000	-
Deferred tax asset, net	4.5.23	1,187,890	-	-	-	686,196	-
Other non current assets	4.5.14	4,479,972	-	-	-	4,431,820	-
Total Non-Current Assets		14,447,179	-	-	13,434,315	-	-
TOTAL ASSETS		49,211,661	-	-	54,629,836	124,735,910	-
Securities in Vault, Transfer Office and Philippine Depository and Trust Corp.							
			P	498,816,786	P	-	P 521,528,235
LIABILITIES AND EQUITY							
Current Liabilities							
Payable to customers	4.5.15	11,868,767	P	453,854,751	P	15,003,465	P
Payable to clearing house	4.5.9	-	-	-	-	1,260,204	-
Lease liability - current	4.5.26	432,741	-	-	-	-	-
Other payables	4.5.16	312,224	-	-	-	697,943	-
Other current liabilities	4.5.17	346,341	-	-	-	5,817	-
Total Current Liabilities		12,960,073	453,854,751	-	16,967,429	396,792,325	-
Non-Current Liabilities							
Lease liability- non current	4.5.26	151,090	-	-	-	-	-
Total Liabilities		13,111,163	453,854,751	-	16,967,429	-	-
Equity							
Share capital	4.18	50,981,867	-	-	-	50,981,867	-
Accumulated deficits	4.18	(14,881,369)	-	-	-	(13,319,460)	-
Equity, net		36,100,498	-	-	-	37,662,407	-
TOTAL LIABILITIES AND EQUITY		49,211,661	498,816,786	498,816,786	54,629,836	521,528,235	521,528,235

(See accompanying Notes to Financial Statements)

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.

STATEMENTS OF COMPREHENSIVE INCOME

For The Years Ended December 31, 2023 and 2022

	<i>Notes</i>	<u>2023</u>	<u>2022</u>
REVENUES			
Commission revenue	4,19	P 4,078,192	P 5,123,805
Loss on financial assets at FVPL	4,7,19	(65,640)	(1,431,448)
Unrealized gain (loss) on financial asset at FVPL		<u>(707,661)</u>	<u>2,461,561</u>
Net Revenues		<u>3,304,891</u>	<u>6,153,918</u>
DIRECT COSTS	4,20	<u>(4,555,442)</u>	<u>(4,886,597)</u>
GROSS LOSS		(1,250,551)	1,267,321
OPERATING EXPENSES	4,21	<u>(1,348,249)</u>	<u>(2,409,748)</u>
LOSS FROM OPERATION		(2,598,800)	(1,142,427)
OTHER INCOME	4,22	571,703	2,521,265
OTHER EXPENSES	4,22	<u>(36,507)</u>	<u>(25,380)</u>
INCOME (LOSS) BEFORE INCOME TAX		<u>(2,063,604)</u>	<u>1,353,458</u>
INCOME TAX BENEFIT (EXPENSE)	4,5,24		
Current		(20,483)	(24,657)
Deferred		<u>522,177</u>	<u>(310,935)</u>
		<u>501,694</u>	<u>(335,592)</u>
NET INCOME (LOSS) FOR THE YEAR		(1,561,910)	1,017,866
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME (LOSS)		<u>P (1,561,910)</u>	<u>P 1,017,866</u>

(See accompanying Notes to Financial Statements)

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.

STATEMENTS OF CHANGES IN EQUITY

For The Years Ended December 31, 2023 and 2022

	<i>Notes</i>	<u>2023</u>	<u>2022</u>
SHARE CAPITAL	<i>4,18</i>		
Balance at beginning of the year		P 50,981,867	P 50,981,867
Issuance of share capital during the year		<u>-</u>	<u>-</u>
Balance at end of the year		<u>50,981,867</u>	<u>50,981,867</u>
ACCUMULATED DEFICITS	<i>4,18</i>		
Unappropriated			
Balance at beginning of the year		(21,034,065)	(21,950,144)
Net income (loss) for the year		(1,561,910)	1,017,866
Appropriation for the year per SRC Rule 49.1		<u>-</u>	<u>(101,787)</u>
Balance at end of the year		<u>(22,595,975)</u>	<u>(21,034,065)</u>
Appropriated			
Balance at beginning of the year		7,714,606	7,612,819
Appropriation for the year per SRC Rule 49.1		<u>-</u>	<u>101,787</u>
Balance at end of the year		<u>7,714,606</u>	<u>7,714,606</u>
Accumulated Deficits		<u>(14,881,369)</u>	<u>(13,319,459)</u>
EQUITY, net		<u>P 36,100,498</u>	<u>P 37,662,408</u>

(See accompanying Notes to Financial Statements)

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.

STATEMENTS OF CASH FLOWS

For The Years Ended December 31, 2023 and 2022

	<i>Notes</i>	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss) before tax		P (2,063,604)	P 1,353,458
Adjustment to reconcile net income (loss) to			
Net cash provided by operating activities:			
Depreciation	4,5,12	123,494	96,728
Depreciation - ROUA	4,5,26	371,558	472,678
Credit losses	4,5,8	80,042	12,422
Unrealized (gain) loss on financial asset at FVPL	4,5,7	707,661	(2,461,561)
Impairment loss - intangible asset	4,5,13	-	500,000
Dividend revenue	4,7	(545,090)	(290,917)
Interest income	4,5,6	(2,189)	(1,817)
Operating loss before changes in working capital		<u>(1,328,128)</u>	<u>(319,009)</u>
Decrease (Increase) in:			
Advances to employees	4,5,10	61,163	37,641
Financial asset at fair value through profit or loss	4,5,7	2,727,623	2,026,192
Receivable from customers	4,5,8	(3,212,596)	(1,957,063)
Receivable from clearing house	4,5,9	(548,372)	-
Prepayments and other current assets	4,5,11	(92,285)	43,431
Increase (Decrease) in:			
Payable to customers	4,5,15	(3,134,698)	(12,333,083)
Payable to clearing house	4,5,9	(1,260,204)	1,187,484
Other payables	4,5,16	(385,719)	
Other current liabilities	4,5,17	340,524	(523,470)
Cash used in operations		<u>(6,832,692)</u>	<u>(11,837,877)</u>
Interest received	4,5,6	2,189	1,817
Dividend received	4,7	545,090	290,917
Income tax paid	4,5,24	-	(24,657)
Net cash used in operating activities		<u>(6,285,413)</u>	<u>(11,569,800)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment of refundable deposits	4,5,14	(48,152)	(3,644,658)
Acquisition of property equipment	4,5,12	(102,077)	(110,311)
Net cash used in investing activities		<u>(150,229)</u>	<u>(3,754,969)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities	4,5,26	(272,162)	(630,238)
NET DECREASE IN CASH		(6,707,804)	(15,955,007)
CASH AT THE BEGINNING OF THE YEAR		<u>21,734,124</u>	<u>37,689,131</u>
CASH AT THE END OF THE YEAR		<u>P 15,026,320</u>	<u>P 21,734,124</u>

(See accompanying Notes to Financial Statements)

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022

NOTE 1 - GENERAL INFORMATION

GOLDEN TOWER SECURITIES AND HOLDINGS, INC., (the Company) is a corporation registered with the Philippine Securities and Exchange Commission under registration number 093-009528 dated December 8, 1993. The Company is established primarily to carry on the business of stock and bond brokers and dealers in securities, and in all activities directly or indirectly connected therewith or incident thereto.

The Company's registered address is located at Unit 6-O Vernida I Condominium, 120 Amorsolo Street, Legaspi Village, Makati City.

Approval of the Financial Statement

The financial statements of the Company for the year ended December 31, 2023, including its comparative figures for December 31, 2022, were approved and authorized for issue by the Board of Directors (BOD) on March 20, 2024.

NOTE 2 - BASIS OF PRESENTATION

Statement of Compliance

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

Basis of Preparation and Measurement

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

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

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

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

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

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

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

NOTE 3 - ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

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

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

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

and clarify the following: (i) an entity's right to defer settlement must exist at the end of the reporting period, (ii) the classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement, (iii) how lending conditions affect classification, and (iv) requirements for classifying liabilities where an entity will or may settle by issuing its own equity instruments.

Amendments to PAS 12, *International Tax Reform - Pillar Two Model Rules* – The amendments provide a mandatory temporary exemption for the accounting of the deferred taxes arising from the implementation of the Organization for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting Pillar Two model rules (Pillar Two income taxes). The amendments also introduce the disclosure requirements for the affected entities to enable users of the financial statements understand the extent to which an entity will be affected by the Pillar Two income taxes, particularly before its effectivity date.

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

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

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

- Amendments to PFRS 16, *Leases - Lease Liability in a Sale and Leaseback* – The amendments clarify that the liability that arises from a sale and leaseback transaction, that satisfies the requirements in PFRS 15, *Revenue from Contracts with Customers*, to be accounted for as a sale, is a lease liability to which PFRS 16 applies and give rise to a right-of-use asset. For the subsequent measurement, the seller-lessee shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying this subsequent measurement does not prevent the seller-lessee from recognizing any gain or loss relating to the partial or full termination of a lease. Any gain or loss relating to the partial or full termination of the lease does not relate to the right of use retained but to the right of use terminated. The amendments must be applied retrospectively. Earlier application is permitted.
- Amendments to PAS 1, *Noncurrent Liabilities with Covenants* – The amendments clarified that covenants to be complied with after the reporting date do not affect the classification of debt as current or noncurrent at the reporting date. Instead, the amendments require the entity to disclose information about these covenants in the notes to the financial statements. The amendments must be applied retrospectively. Earlier application is permitted. If applied in earlier period, the Company shall also apply Amendments to PAS 1 - *Classification of Liabilities as Current or Noncurrent* for that period.
- *IFRIC Agenda Decision Over Time Transfer of Constructed Goods (PAS 23, Borrowing Cost) for the Real Estate Industry* – In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under paragraph 35(c) of International Financial Reporting Standards 15 (PFRS 15). IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of qualifying asset under PAS 23 considering that these inventories are ready for their intended sale in their current condition.

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

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

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

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

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

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

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

- Amendment to PFRS 17, *Insurance Contracts - Initial Application of PFRS 17 and PFRS 9 - Comparative information*– The amendment adds a transition option for a “classification

overlay" to address temporary accounting mismatches between financial assets and insurance contract liabilities relating to comparative information presented on the initial application of PFRS 17. If an entity elects to apply the classification overlay, it can only do so for comparative periods to which it applies PFRS 17. No amendments have been made to the transition requirements of PFRS 9.

Deferred effectivity -

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

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

NOTE 4 - SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

Financial Instruments

Initial recognition and measurement

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

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

Classification

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

Financial Assets and Liabilities at FVPL

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

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

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

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

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

As at December 31, 2023 and 2022, the Company's financial asset at FVPL is classified under this category. (Note 7)

Financial Assets at Amortized Cost

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

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

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

As at December 31, 2023 and 2022, the Company's cash, receivables from customers, receivable from clearing house, advances to employees, and other non-current assets are classified under this category. (Notes 6,8,9,10, and 14)

Financial Assets at FVOCI

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

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

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

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

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

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

As at December 31, 2023 and 2022, the Company has no financial assets classified as FVOCI.

Financial Liabilities at Amortized Cost

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

These financial liabilities are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the liabilities are derecognized or through the amortization process.

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

Reclassification

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

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

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

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

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

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

Impairment of Financial Assets

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

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

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

Derecognition of Financial Assets and Liabilities

Financial Assets

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

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

When the Company has transferred its right to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all

the risks and rewards of ownership of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Company's continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Company could be required to repay.

Financial Liabilities

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

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

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

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

Offsetting of Financial Assets and Liabilities

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

Prepayments and Other Current Assets

Prepayments represent advance payments for Company expenses which the Company expects to consume within one year from the reporting dates. Other current assets include prepaid income tax and VAT input. Prepayments and other current assets are stated in the statements of financial position at cost less any portion that has already been consumed or that has already expired.

Property and Equipment

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

Items of property and equipment are initially measured at cost. Such cost includes purchase price and all incidental costs necessary to bring the asset to its location and condition. Subsequent to initial recognition, items of property and equipment are measured in the statement of financial position at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation, which is computed on a straight-line basis, is recognized so as to allocate the cost of assets less their residual values over their estimated useful lives.

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

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

Intangible Assets

Intangible asset represents trading right. Trading rights are the result of the conversion plan to maintain the Company's access to the trading facilities and for it to continue to transact business at the PSE. Trading rights are assessed to have an indefinite useful life.

Trading right is initially measured at cost and is subsequently measured at revalued amount. The fair value of the asset can be determined by reference to an active market. If an intangible asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to other comprehensive income. However, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

Trading right is not amortized but is tested at the end of the reporting periods for possible impairment in value. The Company tests the asset for impairment by comparing its carrying amount with its recoverable amount, and recognizes any excess of the carrying amount over the recoverable amount as an impairment loss.

Impairment of Non-Financial Assets

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

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

Other Current Liabilities

Other current liabilities include statutory liabilities. These are presented in the statements of financial position at undiscounted amounts.

Share Capital

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

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

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

Retained Earnings

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

Appropriated retained earnings pertain to the restricted portions of retained earnings which is intended for the reserve fund in compliance with the SRC Rule 49.1(B). Unappropriated retained earnings represent the portion which can be declared as dividends to shareholders.

Accumulated Deficit

Accumulated deficits represent accumulated losses incurred by the Company. It includes effect of changes in accounting policy as may be required by the standard's transitional provisions and effect of correction of prior period errors.

Revenue

Revenue recognition

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

Commission

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

Gain (loss) on financial assets

Income (loss) is recognized when the ownership of the securities is transferred to the buyer (at an amount equal to the excess of selling price over the carrying amount of securities) and as a result of year-end mark-to-mark valuation of securities at FVPL. Unrealize gain or losses are recognized in profit or loss upon remeasurement of the financial asset at FPVL at each reporting date.

Dividend Revenue

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

Interest Income

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

Other Income

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

Expenses

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

Direct Costs

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

Operating Expenses

Operating expenses are costs attributable to administrative, marketing, and other business activities of the Company that cannot be directly associated to the services rendered.

Income Tax

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

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

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

Employee Benefits

Short-term benefits

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

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

Retirement Benefits

The Company does not have a formal retirement benefit plan. No actuarial computation was obtained during the year because the amount of the provision for retirement benefits will not materially affect the fair presentation of the financial statements considering that the Company is not covered by RA7641 because the Company has only few employees.

Related Parties

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or

among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its major shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Leases

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

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

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

Foreign Currency Transaction

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

Provisions and contingencies

Provisions are recognized only when the Company has a present obligation as a result of past event and it is probable that the Company will be required to transfer economic benefits in settlement; and the amount of provision can be estimated reliably.

Contingent assets and liabilities are not recognized in the financial statements.

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

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

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

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

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

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

Subsequent events

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

NOTE 5 - SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the financial statements in accordance with Philippine Financial Reporting Standards requires the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgement and accounting estimates and assumptions used in the financial statements are based upon management evaluation of related facts and circumstances as at reporting date. While the Company believes that the assumptions are reasonable and appropriate, significant difference in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

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

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

Judgment

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

Assessment of Impairment of Nonfinancial Assets

The Company determines whether there are indicators of impairment of the Company's non-financial assets. Indicators of impairment include significant change in usage, decline in the asset's fair value or underperformance relative to expected historical or projected future results. Determining the fair value requires the determination of future cash flows and future economic benefits expected to be generated from the continued use and ultimate disposition of such assets. It requires the Company to make estimates and assumptions that can materially affect the financial

statements. Future events could be used by management to conclude that these assets are impaired. Any resulting impairment loss could have a material adverse impact on the Company's financial position and financial performance. The preparation of the estimated future cash flows and economic benefits involves significant judgments and estimation.

The Company recognized impairment loss on its intangible assets amounting to Pnil in 2023 and P500,000 in 2022. (Note 13)

Estimates

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

Estimation of Allowance for Credit Losses

The measurement of the allowance for Credit Losses on financial assets at amortized cost and at FVOCI is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring Credit Losses is further detailed in Note 8 and 27.

Estimating Useful Lives of Property and Equipment

The Company estimates the useful lives of its property and equipment based on the period over which these assets are expected to be available for use. The estimated useful lives of these assets and residual values are reviewed, and adjusted if appropriate, only if there is a significant change in the asset or how it is used. (Note 12)

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

Particulars	Useful Lives
Condominium and improvement	25 years
Transportation equipment	3-5 years
Furniture and fixtures	2-3 years
Office equipment	2-3 years

Determination of Realizable Amount of Deferred Tax Assets

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at December 31, 2023 and 2022 will be fully utilized in the coming years. The carrying value of deferred tax assets as of those dates is disclosed in Note 24.

NOTE 6 - CASH

This account consists of:

	2023	2022
Cash in bank	P 7,492,070	P 14,301,007
Reserve bank account	7,530,250	7,429,117
Cash on hand	4,000	4,000
	P 15,026,320	P 21,734,124

Cash in bank generally earns interest at rates based on daily bank deposit rates. These are unrestricted and available for use in the Company's operation except for the special reserve bank account with Banco De Oro and Eastwest Bank. Interest income recognized in the Statement of Comprehensive Income amounted to P2,189 and P1,817 in 2023 and 2022, respectively (Note 22).

In compliance with Securities Regulation Code (SRC) Rule 49.2-1, the Company maintains a special reserve bank account with Banco De Oro and Eastwest Bank with total amount of P7,530,250 and P7,429,117 as at December 31, 2023 and 2022, respectively, for the exclusive benefit of its customers. The Company's reserve requirement is determined based on SEC's prescribed computation. As of December 31, 2023 and 2022, the Company's reserved accounts are adequate for the required reserve balance.

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

This account consists of:

	2023	2022
Equities in PHISIX	P 5,134,703	P 5,890,202
Equities outside PHISIX	7,250,681	9,930,465
	P 12,385,384	P 15,820,667

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

	2023	2022
Balance at beginning of year	P 15,820,667	P 15,385,298
Additions	2,292,438	23,689,571
Disposals	5,020,060	(25,715,763)
Fair value adjustments	(707,661)	2,461,561
Balance at end of year	P 12,385,384	P 15,820,667

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

Dividend income on financial assets at FVPL presented in the statements of comprehensive income amounted to P545,090 and P290,917 in 2023 and 2022, respectively. (Note 22)

The Company recognizes loss on sale of financial assets at FVPL presented as part of loss on financial assets at FVPL in the statements of comprehensive income amounting to (P65,640) in 2023 and (P1,431,448) in 2022.

The change in fair value of financial assets at fair value through profit or loss recognized and presented as part of gain (loss) on financial assets at FVPL in the statements of comprehensive income amounted to a loss of (P707,661) and gain of P2,461,561 in 2023 and 2022, respectively. (Note 22)

NOTE 8 - RECEIVABLE FROM CUSTOMERS

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

	2023		2022	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
Fully secured accounts:				
More than 250%	P 6,113,584	P 32,461,666	P 2,900,912	P 108,764,725
Between 200% to 250%	-	-	295	600
Between 150% to 200%	294	520	-	-
Between 100% to 150%	-	-	-	-
	<u>6,113,878</u>	<u>32,462,186</u>	<u>2,901,207</u>	<u>108,765,325</u>
Partially secured accounts:				
Less than 100%	794,799	114,465	794,799	149,918
Unsecured accounts	<u>2,444,427</u>	<u>-</u>	<u>2,444,502</u>	<u>-</u>
	<u>3,239,226</u>	<u>114,465</u>	<u>3,239,301</u>	<u>149,918</u>
Less: Allowance for credit losses	<u>(3,225,207)</u>	<u>-</u>	<u>(3,145,165)</u>	<u>-</u>
	<u>P 6,127,897</u>	<u>P 32,576,651</u>	<u>P 2,995,343</u>	<u>P 108,915,243</u>

Receivables from customers are due within two (2) trading days in 2023 and three (3) trading days in 2022, after the consummation of the transactions.

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

Allowance for credit losses on receivables from customers is computed using the formula provided by the SRC Rule No. 52.1.11 which forms part of the Risk-Based Capital Adequacy (RBCA) Report, see Note 27.

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

	2023	2022
Balance at January 1	P 3,145,165	P 3,132,743
Credit losses	80,042	12,422
Recovery of allowance	-	-
Balance, December 31	<u>P 3,225,207</u>	<u>P 3,145,165</u>

NOTE 9 - RECEIVABLE FROM / PAYABLE TO CLEARING HOUSE

The net balance of this account as at December 31, 2023 and 2022 relates to the trading transactions made on the trading floor of the Philippine Stock Exchange for the last two trading days in 2023 and three trading days in 2022 which have not yet been cleared. The outstanding balances were net receivable (payable) to clearing house amounting to P548,372 in 2023 and (P1,260,204) in 2022.

NOTE 10 - ADVANCES TO EMPLOYEES

Advances to employees and officers amounts to P35,018 in 2023 and P96,181 in 2022 pertains to non-interest-bearing salary loans which are collectible through salary deduction.

NOTE 11 - PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	2023	2022
Prepaid income tax (Note 24)	P 547,471	P 507,521
Prepaid insurance	47,967	37,116
Prepaid taxes and licenses	38,915	-
VAT Input	7,138	4,569
	<u>P 641,491</u>	<u>P 549,206</u>

Prepaid income tax pertains to excess prior years excess credit which can be apply to the tax liability of the company in the succeeding period.

Prepaid insurance taxes and licenses are Company expenses paid in advance which will be apply in the next accounting period or within 12 months from reporting period.

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

NOTE 12 - PROPERTY AND EQUIPMENT

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

2023

	Condominium	Land Improvements	Furniture, Fixtures and Equipment	Transportation Equipment	Total
Costs					
January 1, 2023	P 2,506,142	P 252,093	P 2,311,567	P 282,562	P 5,352,364
Additions	-	-	32,813	69,264	102,077
Disposals	-	-	-	-	-
December 31, 2023	<u>2,506,142</u>	<u>252,093</u>	<u>2,344,380</u>	<u>351,826</u>	<u>5,454,441</u>
Accumulated Depreciation					
January 1, 2023	2,506,142	220,223	2,308,925	158,335	5,193,625
Depreciation expense	-	15,298	5,376	102,820	123,494
Disposals	-	-	-	-	-
December 31, 2023	<u>2,506,142</u>	<u>235,521</u>	<u>2,314,301</u>	<u>261,155</u>	<u>5,317,119</u>
Carrying amount					
December 31, 2022	P -	P 31,870	P 2,642	P 124,227	P 158,739
Carrying amount December 31, 2023	<u>P -</u>	<u>P 16,572</u>	<u>P 30,079</u>	<u>P 99,671</u>	<u>P 137,322</u>

2022

	Condominium and improvement	Transportation Equipment	Furniture and fixtures	Office equipment	Total
Cost					
January 1	P 2,506,142	P 252,093	P 2,305,227	P 178,591	P 5,242,053
Additions	-	-	6,340	103,971	110,311
Disposals	-	-	-	-	-
December 31	2,506,142	252,093	2,311,567	282,562	5,352,364
Accumulated Depreciation					
January 1	2,506,142	206,200	2,305,227	79,328	5,096,897
Depreciation Expense	-	14,023	3,698	79,007	96,728
Disposals	-	-	-	-	-
December 31	2,506,142	220,223	2,308,925	158,335	5,193,625
Carrying Amount – December 31, 2021	P -	P 45,893	P -	P 99,263	P 145,156
Carrying Amount – December 31, 2022	P -	P 31,870	P 2,642	P 124,227	P 158,739

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

NOTE 13 - INTANGIBLE ASSET

This account consists of trading right amounting to P8,000,000 in 2023 and 2022, respectively.

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

In 2001, the demutualization or conversion of PSE into a stock corporation was approved by the Securities and Exchange Commission (SEC) effective August 8, 2001. Each membership seat will be exchanged for shares of stock of PSE. In accordance with the conversion, PSE will issue 9.2 million shares with a par value of P1 per share out of the members' contribution of P286.6 million. Thus, each of the 184 members/brokers will subscribe to a total of 50,000 shares of stocks with a par value of P1 per share. The balance of members' contribution of P277.4 million will be treated as additional paid-in surplus in the financial statements of PSE.

In addition to the shares, each member will receive a Certificate of Trading Right to maintain their continued access to the trading floor of PSE. The Right can be assigned and transferred by the members. PSE, however, will not issue shares of stocks for the value of its donated assets. The donated assets consisting of two (2) pieces of real property located in Makati and Pasig City, where its trading floors are located, are subject to restrictions on their transferability.

Under the PSE rules, all exchange trading rights are pledged at its full value to PSE to secure the payment of all debts due to other members of the exchange arising out of, or in connection with, the present or future members' contracts.

The effects of the conversion plan specifically on the separate valuation of the ownership of the exchange seat and the trading rights have been recognized in the Company's financial statements. The last transacted price for the sale of trading right in the PSE was Eight Million Pesos (P8,000,000) as approved by the PSE Board of Directors on November 16, 2022.

The last transacted price for trading right as approved by the PSE Board of Directors on November 16, 2022 amounted to P8,000,000 which is the carrying value as at December 31, 2023 and 2022. The Company recognized impairment loss amounting to P500,000 in 2022.

The movement in the trading right is summarized below:

	<u>2023</u>	<u>2022</u>
Balance at beginning of year	P 8,000,000	P 8,500,000
Additions	-	-
Disposals	-	-
Fair value adjustments	-	(500,000)
Balance at end of year	P 8,000,000	P 8,000,000

NOTE 14 - OTHER NON-CURRENT ASSETS

This account consists of the following:

	<u>2023</u>	<u>2022</u>
Clearing and trade guaranty fund	P 787,865	P 743,363
Surety bond	3,600,000	3,600,000
Refundable deposit	76,650	73,000
Others	15,457	15,457
	P 4,479,972	P 4,431,820

Surety bond pertains to cash bond paid to insurance provider as collateral to secured bond.

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

Refundable deposit represents rental deposit to F.S. Divinagracia Agro-Commercial Inc. for the lease of Company's office space. This rental deposit is refundable at the end of the lease term of the contract.

NOTE 15 - PAYABLES TO CUSTOMERS

This account consists of the following:

	<u>2023</u>	<u>2022</u>
Payables to customers	P 11,722,266	P 14,437,837
Dividends payable-customers	146,501	565,628
	P 11,868,767	P 15,003,465

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

	2023		2022	
	Credit Balance	Security Valuation- Long	Credit Balance	Security Valuation- Long
With money balance	P 11,722,266	P 192,772,377	P 14,437,837	P 187,457,246
Without money balance	-	261,082,374	-	209,335,079
	P 11,722,266	P 453,854,751	P 14,437,837	P 396,792,325

Payables to customers are non-interest bearing and are normally settled within two (2) trading days in 2023 and three (3) trading days in 2022, after the consummation of the transactions.

Dividends payable to customers present dividends received by the Company on behalf of their customer that have not been claimed as of reporting period. Due to their short duration, the carrying amounts of due to customers represent a reasonable approximation of their fair values.

NOTE 16 - OTHER PAYABLES

This account consists of:

	2023	2022
Accrued expenses	P 305,734	P 352,168
Clearing and transaction fee payable	6,490	345,775
	P 312,224	P 697,943

Accrued expenses represent accruals of utilities, commission expense and employee benefits which are already incurred but not yet paid as of the reporting dates.

Clearing and transaction fee payable pertains to trading fees incurred in buying and selling of shares of stocks that are still payable to the clearing house.

NOTE 17 - OTHER CURRENT LIABILITIES

This account consists of:

	2023	2022
VAT payable	P 60,714	P -
Withholding tax payable	285,627	5,817
	P 346,341	P 5,817

VAT payable are VAT on revenue that are due for remittance in the succeeding period.

Withholding tax payable are taxes withheld from purchase of goods and services that are due for remittance in the succeeding period.

NOTE 18 - EQUITY

Share Capital

The Company is authorized to issue Sixty-Five Million (65,000,000) ordinary shares with par value of one peso (P1.00) per share.

As at December 31, 2023 and 2022, the Company's total subscribed and issued and outstanding capital stock is owned by ten (10) shareholders. Ten (10) shareholders owned more than 100 shares.

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

2023

	<u>Shares</u>	<u>Amount</u>
Outstanding 12/31/2022	50,981,867	P 50,981,867
Issuance	-	-
Reacquisition	-	-
Outstanding 12/31/2023	<u>50,981,867</u>	<u>P 50,981,867</u>

2022

	<u>Shares</u>	<u>Amount</u>
Outstanding 12/31/2021	50,981,867	P 50,981,867
Issuance	-	-
Reacquisition	-	-
Outstanding 12/31/2022	<u>50,981,867</u>	<u>P 50,981,867</u>

Minimum Capital Requirement

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

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

On November 25, 2022, the Company renewed its surety bond coverage for the period January 1, 2023 to December 31, 2023 in the amount of Twelve Million Pesos (P12,000,000) in compliance with SRC Rule 1.

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

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

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

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

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

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

As at December 31, 2023 and 2022, the Company's RBCA ratio of 4.18 and 3.41, respectively, is in compliance with the minimum capital requirement set out by the RBCA framework.

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

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

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

The Company's NLC amounts to ₱11,900,295 and ₱21,489,599 as of December 31, 2023 and 2022, respectively, which is more than 5% of the Company's aggregate indebtedness. As of December 31, 2023 and 2022, the Company is in compliant with items A to D as prescribed by Securities and Exchange Commission (SEC).

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

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

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

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

Retained Earnings

Appropriation

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

dealers with unimpaired paid-up capital of P 10M to P 30M, P 30M to P 50M and above P50M, respectively.

In compliance with the above circular, the Company appropriated retained earnings amounting to Pnil and P101,787 in 2023 and 2022, respectively. The Company is in compliance with the SRC Rule 49.1(B).

NOTE 19 - REVENUES

Details of the Company's revenues are as follows:

	2023	2022
Commission revenue	P 4,078,192	P 5,123,805
Gain (Loss) on sale on FVTPL (Note 7)	(65,640)	(1,431,448)
Unrealized gain (loss) on Financial Asset at FVPL	(707,661)	2,461,551
	<u>P 3,304,891</u>	<u>P 6,153,908</u>

NOTE 20 - DIRECT COSTS

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

	2023	2022
Commission expense	P 2,119,804	P 2,452,159
Salaries, wages and benefits	1,972,684	1,819,233
PCD and stock exchange dues	258,074	455,980
Statutory expense	204,880	159,225
	<u>P 4,555,442</u>	<u>P 4,886,597</u>

NOTE 21 - OPERATING EXPENSES

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

	2023	2022
Depreciation expense (Note 12)	P 495,051	P 568,878
Professional fees	204,500	618,996
Postage, telephone, and communication	80,483	76,012
Provision for credit loss (Note 8)	80,042	12,422
Taxes and licenses	72,787	232,481
Utilities	64,129	57,710
Management fees	63,362	-
Office supplies	61,528	54,374
Association dues	57,377	55,902
Insurance expense	40,994	56,387
Repairs and maintenance	31,898	22,915
Bank charges	21,110	300
Training and seminars	14,804	7,322
Gas and oil	11,119	13,277
Entertainment, amusement and recreation	10,579	63,504
Advertisement and promotion	8,184	7,723
Transportation and travel	2,266	3,077
Impairment loss (Note 13)	-	500,000
Miscellaneous expense	28,036	58,468
	<u>P 1,348,249</u>	<u>P 2,409,748</u>

NOTE 22 - OTHER INCOME AND EXPENSES

Breakdown of other income is as follows:

	2023	2022
Dividend income (Note 7)	P 545,090	P 290,917
Interest income (Note 6)	2,189	1,817
Miscellaneous income	24,424	2,228,531
	<u>P 571,703</u>	<u>P 2,521,265</u>

Breakdown of other expenses is as follows:

	2023	2022
Interest expense on lease liability	P 36,507	P 25,380
	<u>P (36,507)</u>	<u>P 25,380</u>

NOTE 23 - DEPRECIATION, EMPLOYEE BENEFITS, AND CREDIT LOSSES

Depreciation, employee benefits and credit losses were presented as follows:

2023

	Cost of Service	Operating Expense	Total
Depreciation	P -	P 495,051	P 495,051
Employee benefits*	2,177,564	-	2,177,564
Credit losses	-	80,042	80,042

*Employee benefits includes salaries expenses, 13th month pay and bonuses, SSS, PHIC, HDMF contribution and retirement expense

2022

	Cost of Service	Operating Expense	Total
Depreciation	P -	P 568,877	P 568,877
Employee benefits*	1,978,458	-	1,978,458
Credit losses	-	12,422	12,422

*Employee benefits includes salaries expenses, 13th month pay and bonuses, SSS, PHIC, HDMF contribution and retirement expense

NOTE 24 - INCOME TAXES

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

	2023	2022
Current tax expense	P 20,483	P 24,657
Deferred tax expense	(522,177)	310,935
Income tax expense (benefit)	<u>P (501,694)</u>	<u>P 335,593</u>

Reconciliation between statutory tax and effective tax follows:

	2023	2022
Income tax at statutory rate	P (412,721)	P 270,692
Tax effect of income subject to final tax	(438)	(364)
Tax effect of dividend income	(109,018)	(58,183)
Tax effect of expired NOLCO	-	110,718
Tax effect of expired MCIT	20,483	12,730
Income tax at effective rate	P (501,694)	P 335,593

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

	2023	2022
Regular Corporate Income Tax:		
Income (loss) before tax	P (2,063,605)	P 1,353,458
Permanent differences:		
Interest income subjected to final tax	(2,189)	(1,817)
Non-taxable dividend income	(545,090)	(290,917)
Temporary differences:		
Credit losses	80,042	12,422
Impairment loss	-	500,000
Unrealized (gain) loss on FVPL	707,661	(2,461,561)
Reversal of unrealized market loss	-	(174,158)
Rental	(452,600)	(409,165)
Depreciation expense	371,558	472,678
Interest expenses	36,507	25,380
Taxable income (loss)	(1,867,715)	(973,680)
Tax rate	20%	20%
	P (373,543)	P (194,736)

Minimum Corporate Income Tax:		
Taxable gross income	P -	P 2,465,739
Tax rate	1.5%	1%
	P -	P 24,657

Tax due (Higher of RCIT or MCIT)	P -	P 24,657
Less:		
Prior Year's Excess Credit	(507,521)	(456,114)
Creditable withholding tax	(39,950)	(76,064)
Prepaid income tax	P (547,471)	P (507,521)

Details of DTA and DTL follows:

	2023	2022
DTA:		
DTA arising from NOLCO	P 891,233	P 517,690
DTA arising from MCIT	93,167	93,167
DTA arising from credit losses	2,558,513	2,542,505
DTL:		
DTL arising from fair value changes on FVPL	(2,299,631)	(2,441,164)
DTL arising from PFRS 16	(34,909)	(26,002)
	P 1,208,873	P 686,196

The movements of the net deferred income tax asset are as follows:

	Statement of Financial Position		Statement of Comprehensive Income	
			Profit or Loss	
	2023	2022	2023	2022
Deferred tax asset – NOLCO	P 891,233	P 517,690	P 373,543	P 194,736
Deferred tax asset – MCIT	72,684	93,167	(20,483)	-
Allowance for credit losses	2,558,513	2,542,505	16,008	(20,963)
Unrealized (gains) losses on FVPL	(2,299,631)	(2,441,164)	141,532	(492,313)
Effect of PFRS 16	(34,909)	(26,002)	(8,907)	(17,053)
Net deferred tax assets	P 1,187,890	P 686,196	P 501,693	P 335,593
Deferred tax expense (income)				

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

Details of the Company's NOLCO which can be claimed as deduction against future taxable income for the three succeeding years are as follows:

Year Incurred	Amount	Applied	Expired	Balance	Date of Expiration
2022	P 973,680	P -	P -	P 973,680	December 31, 2025
2023	1,867,715	-	-	1,867,715	December 31, 2026
	P 2,841,395	P -	P -	P 2,841,395	

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

Details of DTA relating MCIT follow:

MCIT

Year Incurred	Amount	Applied	Expired	Balance	Date of Expiration
2020	P 20,483	P -	P 20,483	P -	December 31, 2023
2021	40,418	-	-	40,418	December 31, 2024
2022	24,657	-	-	24,657	December 31, 2025
	P 85,558	P -	P 20,483	P 65,075	

NOTE 25 - RELATED PARTY TRANSACTIONS

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

2023

Nature of Relationship	Nature of Transaction	Amount (current transaction)	Outstanding balance	Terms	Conditions
Shareholders and related interests	Buying Selling	P 32,192,285 8,734,951	P (2,783,728)	(2)	(4)

(1) Non-interest bearing, payable in cash, no schedule repayments terms

(2) Non-interest bearing, payable in cash, payable in two (2) days after transaction date

(3) Unsecured

(4) Secured by equity securities

2022

Nature of Relationship	Nature of Transaction	Amount (current transaction)	Outstanding balance	Terms	Conditions
Shareholders and related interests	Buying Selling	P 2,297,235 4,084,046	P6,662,244	(2)	(4)

(1) Non-interest bearing, payable in cash, no schedule repayments terms

(2) Non-interest bearing, payable in cash, payable in three (3) days after transaction date

(3) Unsecured

(4) Secured by equity securities

Buying and Selling Transaction

In the ordinary course of business, the Company acts as broker to certain shareholders. Under the Company's policy, these transactions are made substantially on the same terms as with other businesses of comparable risks. In 2023 and 2022, the Company's outstanding receivable is presented as part of Receivables from Customers in the statement of financial position.

Others

The Company entered to an agreement with Mr. Domingo Herrera, the Chairman of the Board of the Company that authorize the latter to use the Trading Rights of the former "gratuitously". The agreement does not provide terms with regards to considerations, period and other conditions for the use of the trading rights.

Key Management Compensation

The compensation of key management given by the Company as salaries and management fee amounted to P777,362 and P966,000 in 2023 and 2022, respectively.

NOTE 26 - LEASE AGREEMENTS

Company as a lessee

The Company entered into lease agreement with F.S. Divinagracia Agro-Commercial Inc. for the lease of its parking. The term of the lease is 2 years which is renewable. Lease payments are made every 1st of the month starting May 1, 2020. The agreement also provides for the payment of rental deposit of ₱73,000 which is refundable at the end of the lease term.

The Company's incremental borrowing rate used in the computation of lease liability is 7.00%.

Right of use asset

An analysis of the movement in this account follows:

	2023	2022
Beginning balance	₱ 157,560	₱ 630,238
Addition	855,993	-
Depreciation expense	(371,558)	(472,678)
Ending balance	₱ 641,995	₱ 157,560

Lease liability

An analysis of the movement in this account follows:

	2023	2022
Beginning balance	₱ -	₱ 630,238
Addition	855,993	-
Payment	(272,162)	(630,238)
Ending balance	₱ 583,831	₱ -

Lease payments recognized as expense during the period follow:

	2023	2022
Low value items	₱ -	₱ -
Short-term leases	583,831	630,238
	₱ 583,831	₱ 630,238

NOTE 27 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

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

Market Risk

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

A. Foreign Currency Risk

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

B. Price Risk

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

For listed equity securities, an average volatility of 14% and 21% has been observed during 2023 and 2022, respectively. If quoted price for these securities increased or decreased by that amount, profit (loss) before tax would have changed by ₱9,190 and ₱216,32 in 2023 and 2022 respectively, while equity would have changed by ₱7,352 and ₱173,059 in 2023 and 2022, respectively.

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

C. Interest Rate Risk

The Company's exposure to the risk for changes in interest rates relates primarily to the Company's bank accounts. As at December 31, 2023 and 2022, these amounted to ₱15,022,320 and ₱21,730,124, respectively. The Company's exposure to changes in interest rates is not significant.

Credit Risk

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

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

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

The Company's receivable from customers related to unsecured and partially secured account is actively monitored to avoid significant concentrations of credit risk. A substantial portion of the Company's receivable from customers is secured by shares of stocks listed and traded in the PSE

and lodged with Philippine Depository and Trust Corporation (PDTC) under the account of the Company.

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

2023 (Based on the New RBCA Template)

	Balance	Collateral (net of haircut)	Counterparty exposure (after collateral)	Allowance for credit losses	Net exposure
T to T+1 of counterparty	P 2,879,342	P 11,879,086	P (8,999,744)	P -	P -
T+2 to T+12 of counterparty	3,019,523	3,255,692	(236,169)	60,390	-
T+13 to T+30 of counterparty	1,883	184,067	(182,183)	-	-
Beyond T+13 of counterparty	3,452,357	6,230,454	(2,778,097)	3,164,817	-
	<u>P 9,353,105</u>	<u>P 21,549,299</u>	<u>P (12,196,193)</u>	<u>P 3,225,207</u>	<u>P -</u>

2022

	Balance	Collateral (net of haircut)	Counterparty exposure (after collateral)	Allowance for credit losses	Net exposure
T to T+2 of counterparty	P 1,817,820	P 57,175,363	P (55,357,544)	P -	P -
T+3 to T+13 of counterparty	166,779	370,646	(203,867)	3,335	-
Beyond T+13 of counterparty	4,155,909	15,372,752	(11,216,842)	3,141,830	-
	<u>P 6,140,508</u>	<u>P 72,918,761</u>	<u>P (66,778,253)</u>	<u>P 3,145,165</u>	<u>P -</u>

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

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

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

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

	31-Dec-23	31-Dec-22
Cash	P 15,022,320	P 21,730,124
Receivable from customers	6,127,897	2,995,343
Receivable from clearing house	548,372	-
Advances to employees	35,018	96,181
Refundable deposits	4,479,972	4,431,820
	<u>P 26,213,579</u>	<u>P 29,253,468</u>

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

(a) Cash

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

(b) Receivables from Customers

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

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

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

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

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

Classification

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

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

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

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

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

Classification

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

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

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

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

(c) Receivable from Clearing House

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

(b) Advances to employees and refundable deposit

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

Liquidity Risk

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

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

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

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

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

	December 31, 2023				Total
	Within 3 months	3 months to 6 months	6 months to 1 year	3 to 5 years	
Payable to customers	P 11,722,266	P -	P -	P -	P 11,722,266
Dividends payable-customers	146,501	-	-	-	146,501
Other payables	312,224	-	-	-	312,224
	<u>P 12,180,991</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P 12,180,991</u>

	December 31, 2022				Total
	Within 3 months	3 months to 6 months	6 months to 1 year	3 to 5 years	
Payable to customers	P 14,437,837	P -	P -	P -	P 14,437,837
Payable to clearing house	1,260,204	-	-	-	1,260,204
Dividends payable-customers	565,628	-	-	-	565,628
Other payable	697,943	-	-	-	697,943
	<u>P 16,961,612</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P 16,961,612</u>

Capital Management

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

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

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

Risk Based Capital Adequacy Requirement

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

Risk, Settlement Risk, Large Exposure Risk, and Margin Lending/Financing Risk; and c) Position or Market Risk Requirement.

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

The Company's RBCA ratio as at years ended December 31, 2023 and 2022 are 418% and 341%, respectively.

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

	<u>2023</u>	<u>2022</u>
Net liquid capital		
Equity eligible for net liquid capital	P 25,836,750	P 35,034,341
Ineligible assets	<u>13,936,455</u>	<u>13,544,742</u>
Total	P 11,900,295	P 21,489,599
Risk capital requirements		
Operational risk requirement	P 1,563,176	P 1,355,402
Position risk requirement	<u>1,283,676</u>	<u>4,948,213</u>
Large exposure risk	<u>-</u>	<u>-</u>
Total	P 2,846,852	P 6,303,615
Risk based capital adequacy ratio	<u>418%</u>	<u>341%</u>

Net Liquid Capital

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

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

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

	<u>2023</u>	<u>2022</u>
Net liquid capital	P 11,900,295	P 21,489,599
Less: Required net liquid capital, higher of:		
5% aggregate indebtedness	<u>655,591</u>	<u>848,371</u>
Minimum amount	<u>5,000,000</u>	<u>5,000,000</u>
Required net liquid capital	<u>5,000,000</u>	<u>5,000,000</u>
Net risk based capital excess	P 6,900,295	P 16,489,599
Ratio of aggregate indebtedness to net liquid capital	<u>110%</u>	<u>79%</u>

Total Risk Capital Requirement

Detail of TRCR follows:

A. Operational Risk

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

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

Revenue	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>Average</u>
Commission revenue	P 5,123,805	P 4,501,908	P 2,076,026	P 3,900,580
Interest income	<u>1,817</u>	<u>3,986</u>	<u>9,482</u>	<u>5,085</u>
Net Recovery from market decline of	<u>2,461,561</u>			<u>820,520</u>

Marketable Securities Owned				
Dividend income	290,917	285,534	272,693	283,048
Gain on Sale of Marketable Securities	(1,431,448)	3,242,058	1,239,900	1,016,837
Gain on Sale of other Assets				
Other income/revenue	2,203,151	2,213,000	953,254	1,789,802
Average of the last three year gross income	8,649,803	10,246,486	4,551,355	7,815,857
Operational risk factor				20%
Total operational risk requirement				P 1,563,174

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

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

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

B. Position/Price Risk

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

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

2023

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	P 5,134,703	25%	P 1,283,676
Other equities outside the PHISIX	-	35%	-
FX Position	-	-	-
	P 5,134,703		P 1,283,676

2022

	Total Market Value of Instrument	Position Risk Factors	Position Risk Requirement
Equities in PHISIX	P 5,890,202	25%	P 1,472,551
Other equities outside the PHISIX	9,930,465	35%	3,475,663
FX Position	-	-	-
	P 15,820,667		P 4,948,214

C. Large Exposure Risk

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

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

D. Counterparty Risk Exposure

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

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

The Company has no counter party exposure as of reporting date.

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

Fair Value Measurement

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

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

		2023			
	Notes	Carrying Amount	Quoted prices in active markets (Level 1)	Fair Value Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Financial asset at FVPL	7	P 12,385,384	P 12,385,384	P -	P -
Assets for which fair values are disclosed:					
Cash	6	15,026,320	-	15,026,320	-
Receivable from customers	8	6,127,897	-	6,127,897	-
Receivable from clearing house	9	548,372	-	548,372	-
Advances to employees	10	35,018	-	35,018	-
Refundable deposit	14	4,479,972	-	4,479,972	-
		P 38,602,963	P 12,385,384	P 26,217,579	P -
Liabilities for which fair values are disclosed:					
Payable to customers	15	P 11,868,767	P -	P 11,868,767	P -
Other payables	16	312,224	-	312,224	-

Lease liability	26	<u>583,831</u>	<u>-</u>	<u>583,831</u>	<u>-</u>
		<u>P 12,764,822</u>	<u>P -</u>	<u>P 12,764,822</u>	<u>P -</u>
2022					
				Fair Value	
	Notes	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Financial asset at FVPL	7	P 15,820,667	P 15,820,667	P -	P -
Assets for which fair values are disclosed:					
Cash	6	21,734,124	-	21,734,124	-
Receivable from customers	8	2,995,343	-	2,995,343	-
Receivable from clearing house	9	-	-	-	-
Advances to employees	10	96,181	-	96,181	-
Refundable deposit	14	<u>4,431,820</u>	<u>-</u>	<u>4,431,820</u>	<u>-</u>
		<u>P 45,078,135</u>	<u>P 15,820,667</u>	<u>P 29,257,468</u>	<u>P -</u>
Liabilities for which fair values are disclosed:					
Payable to customers	15	P 15,003,465	P -	P 15,003,465	P -
Payable to clearing house	9	1,260,204	-	1,260,204	-
Other payables	16	<u>697,943</u>	<u>-</u>	<u>697,943</u>	<u>-</u>
		<u>P 16,961,612</u>	<u>P -</u>	<u>P 16,961,612</u>	<u>P -</u>

Offsetting of Financial Assets and Financial Liabilities

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

	Gross amounts recognized in the statements of financial position		Net amount presented in statement of financial position
	Financial assets	Financial Liabilities	
December 31, 2023			
Receivable to clearing house	<u>P 3,609,515</u>	<u>P 3,061,143</u>	<u>P 548,372</u>
December 31, 2022			
Payable to clearing house	<u>P 5,479,853</u>	<u>P 6,740,057</u>	<u>P 1,260,204</u>

NOTE 28 - RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

2023

	Lease Liability (Note 26)	Share Capital (Note 18)	Total
Balance as of January 1, 2023	P -	P 50,981,867	P 50,981,867
Cash flow from Financing Activities:			
Additional Borrowing / Issuance of shares	855,993	-	855,993
Payment of Borrowing	(272,162)	-	(272,162)
Balance, December 31, 2023	P 583,831	P 50,981,867	P 51,565,698

2022

	Lease Liability (Note 26)	Share Capital (Note 18)	Total
Balance as of January 1, 2022	P 630,238	P 50,981,867	P 51,612,105
Cash flow from Financing Activities:			
Additional Borrowing / Issuance of shares	-	-	-
Payment of Borrowing	(630,238)	-	(630,238)
Balance, December 31, 2022	P -	P 50,981,867	P 50,981,867

NOTE 29 - SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

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

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

Revenue Regulation 15-2010

a) Output VAT

In 2023, the Company declared output VAT as follows:

	Tax Base	Output VAT
Taxable Sales	P 4,188,013	P 502,562

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

The outstanding output VAT payable amounting to ₱60,714 as of December 31, 2023 is presented as part of Other current liabilities account in the 2023 statements of financial position (see Note 17).

b) Input VAT

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

	Purchases	Input VAT
Balance, beginning of year		P 4,569
Domestic purchases of services	P 884,317	106,118
Total available Input VAT		110,687
Application against VAT payable		103,549
Balance, end of the year		P 7,138

c) Taxes and Licenses

The details of Taxes and Licenses account (Note 21) are broken down as follows:

	Amount
Business permit and licenses	P 72,287
Registration fee	500
	P 72,787

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

d) Withholding Taxes

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

	Amount
Withholding tax at source (expanded)	P 157,560
Withholding tax on compensation	28,279
	P 185,839

e) Tax Assessments and Cases

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

f) Related Party Transaction

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

SCHEDULE I

**GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
FOR THE YEAR ENDED December 31, 2023**

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

SCHEDULE II

**GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
RISK BASED-CAPITAL ADEQUACY WORKSHEET PURSUANT TO
SEC MEMORANDUM CIRCULAR NO. 16
DECEMBER 31, 2023**

Assets	51,037,493
Liabilities	14,936,996
Equity as per books	36,100,497
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	(7,250,681)
Deferred Income Tax	(3,013,065)
Revaluation Reserves	
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to Equity per books	* (10,263,747)
Equity Eligible For Net Liquid Capital	25,836,750
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	8,000,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	779,316
d. Prepayment from Client for Early Settlement of Account	
e. All Other Current Assets	121,900
f. Securities Not Readily Marketable	
g. Negative Exposure (SCCP)	
h. Notes Receivable (non-trade related)	
i. Interest and Dividends Receivables outstanding for more than 30 days	
j. Ineligible Insurance claims	
k. Ineligible Deposits	
l. Short Security Differences	
m. Long Security Differences not resolved prior to sale	
n. Other Assets including Equity Investment in PSE	5,035,238
Total ineligible assets	13,936,454
Net Liquid Capital (NLC)	11,900,295
Less:	
Operational Risk Req (Schedule ORR-1)	1,563,176
Position Risk Req (Schedule PRR-1)	1,283,676
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)	2,846,852
Net RBCA Margin (NLC-TRCR)	9,053,444
Liabilities	14,936,996
Add: Deposit for Future Stock Subscription (No application with SEC)	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	
Loans secured by securities	
Loans secured by fixed assets	
Others	1,825,175
Total adjustments to AI	(1,825,175)
Aggregate Indebtedness	13,111,821
5% of Aggregate Indebtedness	655,591
Required Net Liquid Capital (> of 5% of AI or P5M)	5,000,000
Net Risk-based Capital Excess / (Deficiency)	6,900,295
Ratio of AI to Net Liquid Capital	110%
RBCA Ratio (NLC / TRCR)	418%

SCHEDULE III

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS
UNDER APPENDIX F OF SRC RULE 49.2.1
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Market Valuation **P** _____

Numer of items **P** _____

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

Market Valuation **P** _____

Numer of items **P** _____

SCHEDULE IV

**GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER SRC RULE 49.2
DECEMBER 31, 2023**

Particulars	Credits	Debits
1. Free credit balances and other credit balance in customers' security accounts.	9,461,478	
2. Monies borrowed collateralized by securities carried for the account of customers.	•	
3. Monies payable against customers' securities loaned.		
4. Customers' securities failed to receive.		
5. Credit balances in firm accounts which are attributable to principal sales to customer.		
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days old.		
7. Market value of the short security count differences over 30 calendar days old.		
8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days.		
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.		
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		5,960,250
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to deliver.		
12. Failed to deliver customers' securities not older than 30 calendar days.		548,372
13. Others:		
Total	9,461,478	6,508,622
Net Credit (Debit)	2,952,856	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	2,952,856	

SCHEDULE V

**GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
REPORT DESCRIBING MATERIAL INADEQUACIES FOUND TO EXIST
OR FOUND TO HAVE EXISTED SINCE THE PREVIOUS AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2023**

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

SCHEDULE VI

**GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
REPORT OF MONTHLY SECURITIES COUNT CONDUCTED PURSUANT TO
SRC RULE 52.1-10, AS AMENDED
FOR THE YEAR ENDED DECEMBER 31, 2023**

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



REPUBLIC OF THE PHILIPPINES)
S.S.


Kenneth S. Lao
President

Unit 6-O Vernida 1 Condominium, 120 Amorsolo Street, Legazpi Village, Makati City
Tel.: (632) 8892-1316

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
STOCK POSITION PER LOCATION REPORT
As of December 31, 2023

STOCK CODE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
		No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
BPUB	BPUB HOLDINGS, INC. SERIES B PREF	9,183	872,100	-	-	9,183	872,100	-	-	-	-	-	-
AAA	ASIA AMALGAMATED HOLDINGS	25,000	40,250	-	-	25,000	40,250	-	-	-	-	-	-
AB	AT&T BQ WEDGE	60,500	348,460	-	-	60,500	348,460	-	-	-	-	-	-
ABA	ABACOR CAPITAL HOLDINGS	2,400,000	2,040,000	-	-	2,400,000	2,040,000	-	-	-	-	-	-
ABG	ASIABEST GROUP	141,000	424,410	-	-	141,000	424,410	-	-	-	-	-	-
ABS	ABS-CBN CORPORATION	918,480	2,397,228	-	-	918,480	2,397,228	-	-	-	-	-	-
AC	AYALA CORP	99,286	6,990,386	670	455,270	100,176	7,446,556	-	-	600	2,272	-	-
ACE	ACESITE PHILS. HOTEL CORP.	70	120	-	-	70	120	-	-	-	-	-	-
ACEN	ACEN CORPORATION	2,982,373	12,088,899	-	-	2,982,373	12,088,899	-	-	-	-	-	-
ACENA	ACEN CORP. PREF. A	2,200	2,310,000	364,060	1,394,383	2,200	2,310,000	-	-	-	-	-	-
ACENB	ACEN CORP. PREF. B	100	108,000	-	-	100	108,000	-	-	-	-	-	-
ACTAR	AYALA CORP. CLASS A PREFERRED	1,740	4,362,620	-	-	1,740	4,362,620	-	-	-	-	-	-
ADPH	AC PREFERRED	-	-	-	-	-	-	-	-	-	-	-	-
ADPHC	AYALA CORP. PREFERRED C	2,600	-	-	-	-	-	2,610	-	-	-	-	-
ADPHD	AYALA CORP. PREFERRED D	3,190,000	642,600	-	-	3,190,000	642,600	-	-	-	-	-	-
ADPHF	ADPH FUTURE VENTURES, INC.	31,560	1,407,576	5,760	256,896	37,320	1,664,472	-	-	-	-	-	-
ADPHI	ADPH INVESTMENT GROUP, INC.	183,711	2,128,660	-	-	183,711	2,128,660	-	-	-	-	-	-
ADPHJ	ADPH JERSEY VENTURES, INC.	2,212,300	918,022	206,450	89,822	2,418,750	1,004,942	-	-	-	-	-	-
ADPHK	ADPH KENTUCKY VENTURES, INC.	5,000	476,900	-	-	5,000	476,900	-	-	-	-	-	-
ADPHL	ADPH LINDSEY VENTURES, INC.	4,400	3,200,000	-	-	4,400	3,200,000	-	-	-	-	-	-
ADPHM	ADPH MONTGOMERY VENTURES, INC.	71,000	284,710	-	-	71,000	284,710	-	-	-	-	-	-
ADPHN	ADPH NORTHERN VENTURES, INC.	173,344	5,868,351	-	-	173,344	5,868,351	-	-	-	-	-	-
ADPHO	ADPH OCEAN VENTURES, INC.	205,830	-	-	-	-	-	205,830	-	-	-	-	-
ADPHP	ADPH PINE VENTURES, INC.	4,600,000	722,200	-	-	4,600,000	722,200	-	-	-	-	-	-
ADPHQ	ADPH QUINCY VENTURES, INC.	750,000	1,327,500	-	-	750,000	1,327,500	-	-	-	-	-	-
ADPHR	ADPH RICHMOND VENTURES, INC.	430,000	261,900	-	-	430,000	261,900	-	-	-	-	-	-
ADPHS	ADPH SOUTHERN VENTURES, INC.	941,720	706,260	-	-	941,720	706,260	-	-	-	-	-	-
ADPHV	ADPH VENTURES, INC.	1,764	20,568	-	-	1,764	20,568	-	-	-	-	-	-
ADPHW	ADPH WEST VENTURES, INC.	270,400	18,561,330	-	-	270,400	18,561,330	-	-	-	-	-	-
ADPHX	ADPH XANTHUS VENTURES, INC.	1,350,000	318,660	-	-	1,350,000	318,660	-	-	-	-	-	-
ADPHY	ADPH YANKEE VENTURES, INC.	84,801,900	1,102,425	-	-	84,801,900	1,102,425	-	-	-	-	-	-
ADPHZ	ADPH ZEPHYRUS VENTURES, INC.	78,155	175,900	-	-	78,155	175,900	-	-	-	-	-	-
ADPH1	ADPH1 VENTURES, INC.	100,000	920,000	-	-	100,000	920,000	-	-	-	-	-	-
ADPH2	ADPH2 VENTURES, INC.	185,628	556,884	-	-	185,628	556,884	-	-	-	-	-	-
ADPH3	ADPH3 VENTURES, INC.	164,590,000	-	-	-	164,590,000	-	-	-	-	-	-	-
ADPH4	ADPH4 VENTURES, INC.	492,600	482,748	-	-	492,600	482,748	-	-	-	-	-	-
ADPH5	ADPH5 VENTURES, INC.	57,200	1,010,480	-	-	57,200	1,010,480	-	-	-	-	-	-
ADPH6	ADPH6 VENTURES, INC.	-	-	-	-	-	-	-	-	-	-	-	-
ADPH7	ADPH7 VENTURES, INC.	1,358,390	3,500,000	-	-	1,358,390	3,500,000	-	-	-	-	-	-
ADPH8	ADPH8 VENTURES, INC.	66,666	999,990	-	-	66,666	999,990	-	-	-	-	-	-
ADPH9	ADPH9 VENTURES, INC.	56,250	1,819,375	-	-	56,250	1,819,375	-	-	-	-	-	-
ADPH0	ADPH0 VENTURES, INC.	685,900	3,644,000	-	-	685,900	3,644,000	-	-	-	-	-	-
ADPH1	ADPH1 VENTURES, INC.	490,000	175,500	-	-	490,000	175,500	-	-	-	-	-	-
ADPH2	ADPH2 VENTURES, INC.	10,000	48,700	-	-	10,000	48,700	-	-	-	-	-	-
ADPH3	ADPH3 VENTURES, INC.	44,968	5,748,254	-	-	44,968	5,748,254	-	-	-	-	-	-
ADPH4	ADPH4 VENTURES, INC.	1,981,632	2,318,590	-	-	1,981,632	2,318,590	-	-	-	-	-	-
ADPH5	ADPH5 VENTURES, INC.	682	61,380	-	-	682	61,380	-	-	-	-	-	-
ADPH6	ADPH6 VENTURES, INC.	15	99,200	-	-	15	99,200	-	-	-	-	-	-
ADPH7	ADPH7 VENTURES, INC.	9,040,000	551,440	-	-	9,040,000	551,440	-	-	-	-	-	-
ADPH8	ADPH8 VENTURES, INC.	150,600	1,481,994	-	-	150,600	1,481,994	-	-	-	-	-	-
ADPH9	ADPH9 VENTURES, INC.	180,000	1,398,600	-	-	180,000	1,398,600	-	-	-	-	-	-
ADPH0	ADPH0 VENTURES, INC.	12,992	1,348,570	-	-	12,992	1,348,570	-	-	-	-	-	-
ADPH1	ADPH1 VENTURES, INC.	84,408	54,977	-	-	84,408	54,977	-	-	-	-	-	-
ADPH2	ADPH2 VENTURES, INC.	76,910	76,910	-	-	76,910	76,910	-	-	-	-	-	-
ADPH3	ADPH3 VENTURES, INC.	1,079,977	189,345	-	-	1,079,977	189,345	-	-	-	-	-	-
ADPH4	ADPH4 VENTURES, INC.	1,651,900	2,482,850	-	-	1,651,900	2,482,850	-	-	-	-	-	-
ADPH5	ADPH5 VENTURES, INC.	207,200	433,830	-	-	207,200	433,830	-	-	-	-	-	-
ADPH6	ADPH6 VENTURES, INC.	5,325	34,500	-	-	5,325	34,500	-	-	-	-	-	-
ADPH7	ADPH7 VENTURES, INC.	-	2,583	-	-	-	2,583	-	-	-	-	-	-

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
STOCK POSITION PER LOCATION REPORT
As of December 31, 2023

STOCK	NAME OF STOCKS	CUSTOMER'S ACCOUNT	REALER'S ACCOUNT	PHIL. CENTRAL DEPOSITORY	IN VAULT	TRANSFER OFFICE	IN TRANSIT
CEBU	CEBU AIR, INC.	64,710	-	64,710	-	-	-
CEBU	CEBU AIR CONVERTIBLE PREFERRED	19,800	-	19,800	-	-	-
CEBU	CROWN EQUITIES, INC.	4,972,800	-	4,972,800	-	-	-
CEBU	CENTRO SCOLAR UNIVERSITY	21,584	-	21,584	-	-	-
CEBU	CEBU HOLDINGS, INC.	191,964	-	191,964	-	-	-
CEBU	CHINA BANKING CORPORATION	117,045	-	117,045	-	-	-
CEBU	CEMEX HOLDINGS PHILIPPINES, INC.	822,091	-	822,091	-	-	-
CEBU	CEMEX HOLDINGS PHILIPPINES, INC.	649,072	-	649,072	-	-	-
CEBU	CEBU LANDMASTERS, INC.	182,300	-	182,300	-	-	-
CEBU	CENTURY PACIFIC FOOD, INC.	420,283	-	420,283	-	-	-
CEBU	CONVERGE INFO & COMTECH SOL, INC.	167,120	-	167,120	-	-	-
CEBU	COAL ASIA HOLDINGS INC.	5,398,016	-	5,398,016	-	-	-
CEBU	COSCO CAPITAL, INC.	482,830	-	482,830	-	-	-
CEBU	CENTURY PROPERTIES GROUP INC.	890,080	-	890,080	-	-	-
CEBU	CENTURY PEAK METALS HOLDINGS CORP.	389,826	-	389,826	-	-	-
CEBU	CITICORP ENERGY REIT CORP	400,200	-	400,200	-	-	-
CEBU	CTS GLOBAL EQUITY GROUP INC	5,240,320	-	5,240,320	-	-	-
CEBU	CYBER BAY CORPORATION	600,000	-	600,000	-	-	-
CEBU	DOUBLE DRAGON PROPERTIES CORP.	2,442,200	-	2,442,200	-	-	-
CEBU	DUMP REIT, INC.	820,400	-	820,400	-	-	-
CEBU	DOUBLE DRAGON PROPERTIES CORP. PREP	5,330,000	-	5,330,000	-	-	-
CEBU	DEL MONTE PACIFIC LIMITED	20,700	-	20,700	-	-	-
CEBU	DFPH INC.	42,058	-	42,058	-	-	-
CEBU	DOMINION HOLDINGS, INC.	71,070	-	71,070	-	-	-
CEBU	ONE HOLDINGS CORP	93,850	-	93,850	-	-	-
CEBU	DIZON COPPER-MILVER MINES	2,395,499	-	2,395,499	-	-	-
CEBU	DIZON COPPER-MILVER MINES	10,131	-	10,131	-	-	-
CEBU	DNC HOLDINGS INC.	32,592	-	32,592	-	-	-
CEBU	DNC HOLDINGS INC.	1,355,500	-	1,355,500	-	-	-
CEBU	DM WENCESLAW & ASSOCIATES, INC.	11,242,225	-	11,242,225	-	-	-
CEBU	PHILAB HOLDINGS CORP.	531,480	-	531,480	-	-	-
CEBU	D & L INDUSTRIES, INC.	1,229,228	-	1,229,228	-	-	-
CEBU	DISCOVERY WORLD CORPORATION	984,991	-	984,991	-	-	-
CEBU	EAST COAST VULCAN CORPORATION	16,407	-	16,407	-	-	-
CEBU	EEL CORPORATION	518,800	-	518,800	-	-	-
CEBU	EEL CORPORATION SERIES B	21,944	-	21,944	-	-	-
CEBU	IF E-GAME VENTURES, INC.	125,633	-	125,633	-	-	-
CEBU	EXPORT AND INDUSTRY BANK	47,620	-	47,620	-	-	-
CEBU	EMPIRE EAST LAND HOLDINGS, INC.	175,686	-	175,686	-	-	-
CEBU	EMPIRE EAST LAND HOLDINGS, INC.	7,207,817	-	7,207,817	-	-	-
CEBU	EMEX ENERGY CORPORATION	6,000	-	6,000	-	-	-
CEBU	EMEX ENERGY CORPORATION	14,045	-	14,045	-	-	-
CEBU	ETON PROPERTIES PHILIPPINES, INC.	68,821	-	68,821	-	-	-
CEBU	ELRO-MED LAB. PHIL., INC.	4,252	-	4,252	-	-	-
CEBU	EVER-GOTTECO RES. & HLDG., INC.	60,039	-	60,039	-	-	-
CEBU	EAST WEST BANKING CORP.	146,450	-	146,450	-	-	-
CEBU	FIRST ARACUS FINANCIAL	4,551,972	-	4,551,972	-	-	-
CEBU	SAN MIGUEL FOOD AND BEVERAGE, INC.	6,000	-	6,000	-	-	-
CEBU	PIGABO COFFEE GROUP, INC.	1,173,000	-	1,173,000	-	-	-
CEBU	FILVEST DEV. CORP.	270,000	-	270,000	-	-	-
CEBU	FILVEST DEV. CORP.	93,299	-	93,299	-	-	-
CEBU	FILVEST DEV. CORP.	79,754	-	79,754	-	-	-
CEBU	FILVEST DEV. CORP.	682,500	-	682,500	-	-	-
CEBU	FILVEST DEV. CORP.	200	-	200	-	-	-
CEBU	FILVEST DEV. CORP.	914,000	-	914,000	-	-	-
CEBU	FILVEST DEV. CORP.	272,407	-	272,407	-	-	-
CEBU	FILVEST DEV. CORP.	3,000	-	3,000	-	-	-
CEBU	GLOBAL PHARMACEUTICAL HOLDINGS, INC.	360,669	-	360,669	-	-	-
CEBU	ALLIANCE SELECT FOODS INT'L, INC.	144,000	-	144,000	-	-	-
CEBU	FIRST PHIL. HOLDINGS CORP.	735,750	-	735,750	-	-	-
CEBU	FORUM PACIFIC, INC.	1,088,400	-	1,088,400	-	-	-
CEBU	FRUITAS HOLDINGS, INC.	112,200	-	112,200	-	-	-
CEBU	GEORGE RESOURCES PHILS, INC.	256,712	-	256,712	-	-	-
CEBU	GLOBAL ESTATE RESORTS, INC.	1,048,000	-	1,048,000	-	-	-
CEBU	GLOBE TELECOM, INC.	2,051,526	-	2,051,526	-	-	-
CEBU	GLOBE TELECOM, INC.	11,202,300	-	11,202,300	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-
CEBU	GLOBE TELECOM, INC.	6,513	-	6,513	-	-	-
CEBU	GLOBE TELECOM, INC.	822,140	-	822,140	-	-	-
CEBU	GLOBE TELECOM, INC.	478	-	478	-	-	-
CEBU	GLOBE TELECOM, INC.	225,960	-	225,960	-	-	-
CEBU	GLOBE TELECOM, INC.	26,900	-	26,900	-	-	-

Date of December 31, 1923

STAFF	NAME OF STOCKS	CUSTOMER'S ACCOUNT	DEALER'S ACCOUNT	PHIL. CENTRAL DEPOSITORY	IN VAULT	TRANSFER OFFICE	IN TRANSIT
STAFF	GMA HOLDINGS, INC. - PDR	34,000	282,200	34,000	282,200	-	-
STAFF	GOTESCO LAND, INC.	6,210,353	-	6,210,353	-	-	-
STAFF	GOTESCO LAND - B	1,570,250	-	1,570,250	-	-	-
STAFF	GREEN ENERGY HOLDINGS INC.	3,433,488	796,727	3,433,488	796,727	-	-
STAFF	GT CAPITAL HOLDINGS, INC.	1,982	1,169,386	1,982	1,169,386	-	-
STAFF	GTCAP PREFERRED VOTING	400	-	-	400	-	-
STAFF	GTCAP SERIES B PERPETUAL PREFERRED SHS	920	865,260	920	865,260	-	-
STAFF	HOUSE OF INVESTMENTS, INC.	5,000	16,200	5,000	16,200	-	-
STAFF	HILCOM PHILIPPINES, INC.	2,000	7,740	1,000	3,870	-	-
STAFF	ALLHOME CORP	2,637,600	2,904,112	2,637,600	2,904,112	-	-
STAFF	8990 HOLDINGS, INC.	23,600	217,828	23,600	217,828	-	-
STAFF	1-BENMIT, INC.	208,000	103,180	208,000	103,180	-	-
STAFF	INTL CONT TERMINAL SERV INC	14,510	3,581,068	14,510	3,581,068	-	-
STAFF	ITALPHAS DEVELOPMENT CORP	8,530	5,879	8,530	5,879	-	-
STAFF	INTEGRATED MICRO-ELECTRONICS, INC.	96,371	394,532	96,371	394,532	-	-
STAFF	IMPERIAL RES., INC.	52,000	27,040	52,000	27,040	-	-
STAFF	PHILIPPINE INTRADEV HOLDINGS INC	227,000	124,850	227,000	124,850	-	-
STAFF	IONICS, INC.	84,500	85,245	84,500	85,245	-	-
STAFF	IPM HOLDINGS, INC.	104,225	352,241	104,225	352,241	-	-
STAFF	IPROFILE, INC.	594,312	4,388,193	594,312	4,388,193	-	-
STAFF	ISLAND INFORMATION & TECHNOLOGY, INC	262,359,859	37,779,285	262,359,859	37,779,285	-	-
STAFF	JOLIBEE FOODS CORP	116,450	29,275,530	116,450	29,275,530	-	-
STAFF	JPC SERIES "B" PREFERRED SHARES	3,550	3,344,080	3,550	3,344,080	-	-
STAFF	JO SUMMIT HOLDINGS, INC.	27,721	1,057,358	27,721	1,057,358	-	-
STAFF	THE KEEPER'S HOLDINGS, INC.	959,200	1,419,838	959,200	1,419,838	-	-
STAFF	KEPPEL PHIL. HOLDINGS, INC.-B	328	1,897	328	1,897	-	-
STAFF	KEPPEL PHILIPPINES MARINE, INC	2,880	8,640	-	8,640	-	-
STAFF	KALAH REALTY, INC.	21,249	-	-	21,249	-	-
STAFF	CITY & LAND DEVELOPERS	422,570	781,153	422,570	781,153	-	-
STAFF	LBC EXPRESS HOLDINGS, INC.	6,400	120,384	6,400	120,384	-	-
STAFF	LEPANTO CONS. MNG.	9,048,233	725,539	9,048,233	725,539	-	-
STAFF	LEPANTO CONS. MNG. - B	1,231,745	96,078	1,231,745	96,078	-	-
STAFF	LODESTAR INVESTMENT HOLDINGS CORP	1,000	465	1,000	465	-	-
STAFF	PACIFIC ONLINE SYSTEMS CORPORATION	484,000	2,395,800	484,000	2,395,800	-	-
STAFF	LIBERTY FLOUR MILLS, INC.	5,300,000	312,000	5,300,000	312,000	-	-
STAFF	LOPEZ HOLDINGS CORPORATION	512,610	2,183,719	510,410	2,174,347	2,200	9,372
STAFF	LORENZO SHIPPING CORPORATION	15,500	8,525	15,500	8,525	-	-
STAFF	LT GROUP, INC.	292,200	2,632,936	290,200	2,632,936	-	-
STAFF	MANILA MINING CORP.	39,344,004	180,996	39,344,004	180,996	-	-
STAFF	MANILA MINING CORP. - B	12,101,445	52,045	12,101,445	52,045	-	-
STAFF	MACORASHA CORPORATION	104,222	432,523	127,022	527,141	-	-
STAFF	MACAY HOLDINGS INC.	6,400	36,480	6,400	36,480	-	-
STAFF	METRO ALLIANCE RUGS & ELEGIES CORP	2,000	910	2,000	910	-	-
STAFF	MARCVENTURES HOLDINGS, INC.	5,151,400	5,563,512	5,151,400	5,563,512	-	-
STAFF	MAX'S GROUP, INC.	1,092,100	3,571,167	1,092,100	3,571,167	-	-
STAFF	MANILA BULLETIN PUBLISHING	100,543	34,380	100,540	34,380	-	-
STAFF	METRO BANK & TRUST CO.	18,767	6,581,147	188,347	9,662,201	2,430,000	199,381
STAFF	MARSTEEL CONS. INC. - B	2,450,000	-	-	-	-	-
STAFF	MEDCO HOLDINGS	300,000	25,800	300,000	25,800	-	-
STAFF	MEDLINE DISTRIBUTORS INCORPORATE	650,000	214,500	650,000	214,500	-	-
STAFF	MEDIANWORLD CORPORATION	3,163,283	6,251,668	3,163,283	6,251,668	-	-
STAFF	MANILA ELECTRIC CO.	9,891	2,940,509	9,891	2,940,509	-	-
STAFF	MANULIFE FINANCIAL CORP	206	232,780	206	232,780	-	-
STAFF	MILLENNIUM GLOBAL HOLDINGS, INC.	2,000,000	205,030	2,000,000	205,030	-	-
STAFF	METRO GLOBAL HOLDINGS, INC.	96,100	-	96,100	-	-	-
STAFF	MARIBAY HOLDINGS CORP.	220,000	25,760	220,000	25,760	-	-
STAFF	MIC INVESTMENTS CORPORATION	4,000	4,000	4,000	4,000	-	-
STAFF	MERRYMAKT CONSUMER CORP	560,000	581,950	560,000	581,950	-	-
STAFF	MARCOPPER MINING CORP.	1,000	-	1,000	-	-	-
STAFF	MONDRAGON INT'L. PHIL.	6,077,999	-	-	6,077,999	-	-
STAFF	MONSIE HISSIN CORPORATION	316,400	2,651,432	316,400	2,651,432	-	-

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
STOCK POSITION PER LOCATION REPORT
 As of December 31, 2023

SYMBOL	NAME OF STOCKS	CUSTOMER'S ACCOUNT	DEALER'S ACCOUNT	PHIL. CENTRAL DEPOSITORY	IN VALET	TRANSFER OFFICE	IN TRANSIT
MTN	METRO PACIFIC INVESTMENTS CORP	38,830	-	38,830	-	-	-
NBC	NBC ALLIED, INC.	295,000	-	295,000	-	-	-
NBSIT	NBSIT, INC.	15,325,800	-	15,325,800	-	-	-
NBP	NELCO RESORTS AND ENT PHIL CORP	6,250	-	6,250	-	-	-
NBSGS	METRO RETAIL STORES GROUP, INC.	1,303,320	65,500	1,368,820	-	45,310	-
NVC	MADEIRA VINYL CORPORATION	24,000	-	24,000	-	-	-
NWC	MANILA WATER CO., INC.	2,438,460	-	2,438,460	-	-	-
NW76	MEGAWARE CONSTRUCTION CORP.	181,100	-	181,100	-	-	-
NW77	MEGAWARE PREFERRED 3B	402,276	-	402,276	-	-	-
NW78	MEGAWARE PREFERRED SER. A	6,100	-	6,100	-	-	-
NW79	MEGAWARE CONSTRUCTION CORPORATO	2,000	-	2,000	-	-	-
NW80	MEGAWARE CONSTRUCTION CORPORATO	24,000	-	24,000	-	-	-
NW81	NELCO MINERAL RESOURCES INTL, INC	30,000	-	30,000	-	-	-
NW82	NICKEL ASIA CORPORATION	651,388	-	651,388	-	-	-
NW83	NOW CORPORATION	3,569,606	-	3,569,606	-	-	-
NW84	NATIONAL REINSURANCE CORP OF THE PH	5,801,000	-	5,801,000	-	-	-
NW85	NEXTGENESS CORPORATION	2,720,000	-	2,720,000	-	-	-
NW86	ORIENTAL PETROLEUM	32,000	-	32,000	-	-	-
NW87	ORIENTAL PETROLEUM - B	1,012,666	-	1,012,666	-	-	-
NW88	ORIENTAL PETROLEUM - B	51,631,796	-	51,631,796	-	-	-
NW89	ORIENTAL PETROLEUM - B	36,273,613	-	36,273,613	-	-	-
NW90	THE PHILIPPINE RES. GROUP, INC.	362,250	-	362,250	-	-	-
NW91	THE PHILIPPINE RES. GROUP, INC.	318,817	-	318,817	-	-	-
NW92	PACIFIC HOLDINGS, INC.	51,405	-	51,405	-	-	-
NW93	PAL HOLDINGS, INC.	37,250	-	37,250	-	-	-
NW94	PAYAS, INC.	15,400	-	15,400	-	-	-
NW95	PHILIPPINE BUSINESS BANK	66,874	-	66,874	-	-	-
NW96	PHIL BANK OF COMMUNICATIONS	581,804	-	581,804	-	-	-
NW97	PLDT COMM. & ENERGY VENTURES, INC.	7,960	-	7,960	-	-	-
NW98	PETRON CORP	840	-	840	-	-	-
NW99	PAPER INDUS. CORP.	2,903,327	-	2,903,327	-	-	-
NW100	PETROBRAS RESOURCES CORP	796,571	-	796,571	-	-	-
NW101	PETROBRAS RESOURCES CORP	6,491,061	-	6,491,061	-	-	-
NW102	PURGELOID PRCS CLIN, INC.	1,375,942	-	1,375,942	-	-	-
NW103	PURGELOID PRCS CLIN, INC.	277,964	-	277,964	-	-	-
NW104	PREMIERE HORIZON ALLIANCE CORP.	928,950	-	928,950	-	-	-
NW105	PREMIERE HORIZON ALLIANCE CORP.	567,800	-	567,800	-	-	-
NW106	PHILCOMBAT HOLDINGS, CORP.	210,962	-	210,962	-	-	-
NW107	PHIL ESTATES CORP	112,140	-	112,140	-	-	-
NW108	PH RESORTS GROUP HOLDINGS, INC.	256,000	-	256,000	-	-	-
NW109	PH RESORTS GROUP HOLDINGS, INC.	1,825,700	-	1,825,700	-	-	-
NW110	PREMIUM LEISURE CORP	5,762,610	-	5,762,610	-	-	-
NW111	PREMIUM LEISURE CORP	965,536	-	965,536	-	-	-
NW112	PREMIUM LEISURE CORP	123,182	-	123,182	-	-	-
NW113	PREMIUM LEISURE CORP	135,400	-	135,400	-	-	-
NW114	PREMIUM LEISURE CORP	50,349	-	50,349	-	-	-
NW115	PHIL. NATIONAL BANK	88,258	-	88,258	-	-	-
NW116	PHOENIX PETROLEUM PHLS, INC	432,954	-	432,954	-	-	-
NW117	PHOENIX PETROLEUM PHLS, INC. 3B	27,500	-	27,500	-	-	-
NW118	PHOENIX PETROLEUM PHLS, INC. 4	644,875	-	644,875	-	-	-
NW119	PRICE CORPORATION	2,374,560	-	2,374,560	-	-	-
NW120	PRICE CORPORATION	265,500	-	265,500	-	-	-
NW121	PRICETOWN PROPERTIES	115	-	115	-	-	-
NW122	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW123	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW124	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW125	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW126	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW127	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW128	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW129	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW130	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW131	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW132	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW133	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW134	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW135	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW136	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW137	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW138	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW139	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW140	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW141	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW142	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW143	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW144	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW145	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW146	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW147	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW148	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW149	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW150	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW151	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW152	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW153	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW154	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW155	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW156	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW157	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW158	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW159	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW160	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW161	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW162	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW163	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW164	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW165	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW166	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW167	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW168	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW169	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW170	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW171	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW172	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW173	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW174	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW175	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW176	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW177	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW178	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW179	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW180	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW181	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW182	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW183	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW184	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW185	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW186	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW187	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW188	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW189	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW190	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW191	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW192	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW193	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW194	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW195	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW196	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW197	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW198	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW199	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-
NW200	PRICETOWN PROPERTIES, INC.	115	-	115	-	-	-

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
STOCK POSITION PER LOCATION REPORT
As of December 31, 2023

STOCK	NAME OF STOCKS	CUSTOMER'S ACCOUNT		BRIARLEY'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT	
REL		16,544	263,711	-	-	34,544	263,711	-	-	-	-	-	-
REL	ROBINSONS LAND CORP.	456,899	46,311	-	-	456,899	46,311	-	-	-	-	-	-
ROCK	PHIL. REALTY & HOLDINGS CORP.	262,446	370,349	-	-	262,446	370,349	-	-	3,440	10,000	-	-
ROX	ROCKWELL LAND CORPORATION	295,754	457,191	-	-	295,754	457,191	-	-	-	-	-	-
RPC	ROX HOLDINGS, INC.	472,272	-	-	-	472,272	-	-	-	-	-	-	-
RSH	REYNOLDS PHILIPPINE CORPORATION	8,199	321,165	-	-	8,199	321,165	-	-	-	-	-	-
SBS	ROBINSON RETAIL HOLDINGS INC	54,000	261,900	-	-	54,000	261,900	-	-	-	-	-	-
SEC	SRI PHILIPPINES CORPORATION	227,100	10,197,275	-	-	227,100	10,197,275	-	-	-	-	-	-
SDP	SEABRACK MINING AND POWER CORP.	17	-	-	-	17	-	-	-	-	-	-	-
SEC	SIME DABAY PHILIPPINES, INC.	48,750	2,913,625	-	-	48,750	2,913,625	-	-	-	-	-	-
SEC	SECURITY BANK CORP.	26,100	-	-	-	-	-	26,100	-	-	-	-	-
SEF	SECURITY BANK CORPORATION-PREFERRED	9,139,568	495,337	-	-	9,139,568	495,337	81	-	1,000	34	-	-
STP	SWIFT FOODS, INC.	5,000	6,477	-	-	5,000	6,477	-	-	-	-	-	-
SG	SWIFT FOODS, INC. CORP. PREF	260,000	231,400	-	-	260,000	231,400	-	-	-	-	-	-
SGP	SOLID GROUP, INC.	655,000	4,290,250	-	-	655,000	4,290,250	-	-	-	-	-	-
SHLPH	SYNBIOT GRED & DEV. PHIL., INC.	99,800	763,612	215,000	-	88,800	982,412	-	-	-	-	-	-
SHNO	SHELL PHILIPPINES CORPORATION	45,540	199,792	-	-	45,540	199,792	-	-	-	-	-	-
SLJ	SHANG PROPERTIES, INC.	9,000	30,600	-	-	9,000	30,600	-	-	-	-	-	-
SM	STA. LUCIA LAND, INC.	2,275	1,483,800	374,400	-	2,275	2,150,200	-	-	-	-	-	-
SMC	SM INVESTMENTS CORPORATION	55,593	5,676,045	260	-	55,593	5,676,045	-	-	-	-	-	-
SMCJF	SAN MIGUEL CORP. "A"	21,290	1,258,750	-	-	21,290	1,258,750	-	-	-	-	-	-
SMCJH	SAN MIGUEL PREF 2 SUBSERIES "H"	3,260	518,880	-	-	3,260	518,880	-	-	-	-	-	-
SMCJL	SAN MIGUEL PREF 2 SUBSERIES "L"	-	-	-	-	-	-	-	-	-	-	-	-
SMCJN	SAN MIGUEL PREF 2 SUBSERIES "N"	67,000	5,159,990	-	-	67,000	5,159,990	-	-	-	-	-	-
SMCJO	SAN MIGUEL PREF 2 SUBSERIES "O"	22,000	1,694,000	-	-	22,000	1,694,000	-	-	-	-	-	-
SMCJH	SAN MIGUEL PREF 2 SUBSERIES "H"	6,000	448,000	-	-	6,000	448,000	-	-	-	-	-	-
SMCJH	SAN MIGUEL PREF 2 SUBSERIES "H"	34,888	1,016,215	-	-	34,888	1,016,215	-	-	-	-	-	-
SPC	SPC POWER CORPORATION	100	700	-	-	100	700	-	-	-	-	-	-
SPM	SEAFRONT PET. "A"	78,255	110,354	-	-	78,255	110,354	-	-	-	-	-	-
SPNEC	SP NEW ENERGY CORPORATION	783,187	1,033,807	-	-	783,187	1,033,807	-	-	-	-	-	-
SSI	SSI GROUP, INC.	300,000	681,000	300,000	-	300,000	681,000	-	-	-	-	-	-
SSP	SFA SEMCON PHIL. CORP.	54,000	122,760	-	-	54,000	122,760	-	-	-	-	-	-
STI	STI EDUCATION SYSTEMS HOLDINGS, INC.	212,000	104,275	-	-	212,000	104,275	-	-	-	-	-	-
STN	STENDEL MANUFACTURING CORP.	856,639	-	-	-	856,639	-	-	-	-	-	-	-
STR	SUNTRUST HOME DEVELOPERS, INC.	15,000	26,150	-	-	15,000	26,150	-	-	-	-	-	-
SUN	SUNTRUST MANUFACTURING CORP.	1,078,400	909,840	-	-	1,078,400	909,840	-	-	-	-	-	-
SWM	SANITARY WARE MFG. CORP.	161,100	-	-	-	161,100	-	-	-	-	-	-	-
T	TFC METALS CORPORATION	435,000	180,525	-	-	435,000	180,525	-	-	-	-	-	-
TBGI	TRANSNATURAL BROADBAND GROUP INC.	1,296,000	175,440	-	-	1,296,000	175,440	-	-	-	-	-	-
TCRC	CITEX PREFERRED 2C	2,000	49,400	-	-	2,000	49,400	-	-	-	-	-	-
TCRSD	CITEX PREFERRED 2D	28,000	903,000	-	-	28,000	903,000	-	-	-	-	-	-
TECH	CITEX HOLDINGS PHILIPPINES CORP.	74,000	47,700	-	-	74,000	47,700	-	-	-	-	-	-
TEL	PLDT, INC.	5,682	7,267,278	-	-	5,682	7,267,278	-	-	-	-	-	-
TYC	PHIL. TOBACCO PLUS-CUBANO & RESORVIN	295,000	10,225,000	-	-	295,000	10,225,000	-	-	-	-	-	-
TYH	TOP FRONTIER INVESTMENT BLDGS	1,604	148,543	-	-	1,604	148,543	-	-	-	-	-	-
TYUS	HARBOR STAR SHIPPING SERV INC	1,118,000	849,680	-	-	1,118,000	849,680	-	-	-	-	-	-
UBP	UNION BANK OF THE PHILS.	31,076	1,665,277	-	-	31,076	1,665,277	-	-	-	-	-	-
UNE	UNION RESOURCES HOLDINGS CO., INC.	5,407,500	1,310,345	-	-	5,407,500	1,310,345	-	-	-	-	-	-
UP	UNIVERSAL RIGHTFIELD	3,384,000	-	-	-	3,384,000	-	-	-	-	-	-	-
UPM	UNIVERSAL MINING CORP.	38,172,000	312,700	30,012,500	-	38,172,000	312,700	-	-	-	-	-	-
UPC	UNIVERSAL RUBINA CORP.	11,400	1,347,480	1,000	-	11,400	1,347,480	-	-	-	-	-	-
UW	UNWIDE HOLDINGS, INC.	4,331,000	-	-	-	4,331,000	-	-	-	-	-	-	-
V	VANTAGE EQUITIES, INC.	977,000	752,290	-	-	977,000	752,290	-	-	-	-	-	-
VTA	VITABICH CORP.	4,042,000	2,101,840	-	-	4,042,000	2,101,840	-	-	-	-	-	-
VLL	VISTA LAND & LIFESCAPES, INC.	1,312,010	2,204,177	-	-	1,312,010	2,204,177	-	-	-	-	-	-
VNC	VICTORIAS MELLING CO., INC.	7,600	22,876	-	-	7,600	22,876	-	-	-	-	-	-
VNET	VISTARIT INC.	647,000	1,080,490	-	-	647,000	1,080,490	-	-	-	-	-	-
WBR	PHILWEB CORPORATION	324,400	544,672	114,000	-	324,400	544,672	-	-	-	-	-	-
WHI	WISE HOLDINGS, INC.	1,625	-	-	-	1,625	-	-	-	-	-	-	-

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
STOCK POSITION PER LOCATION REPORT
As of December 31, 2022

SYMBOL	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		IN VAULT		TRANSFER OFFICE		IN TRANSIT
WIN	WILLEX INDUSTRIES, INC.	2,250,000	517,500	-	-	2,250,000	517,500	-	-	-	-	-
WLCO	WILCON DEPOT, INC.	276,000	5,643,000	-	-	276,000	5,643,000	-	-	-	-	-
WPH	WATERFRONT PHILS. INC.	2,121,576	795,591	-	-	2,121,576	795,591	-	-	-	-	-
X	XURPAS, INC.	680,700	110,914	10,000	-	680,700	130,914	-	-	-	-	-
ZRH	ZELUS HOLDINGS, INC.	1,150,000	81,650	-	-	1,150,000	81,650	-	-	-	-	-
Total		1,054,302,831	684,631,482	24,276,544	12,305,594	1,048,313,209	697,489,512	6,386,125	239,694	3,782,581	1,067,389	-

SCHEDULE VII

GOLDEN TOWER SECURITIES AND HOLDINGS, INC. SUPPLEMENTARY SCHEDULE IN COMPLIANCE WITH THE REVISED SRC RULE 68 FINANCIAL SOUNDNESS INDICATORS For The Years Ended December 31, 2023 and 2022

Current Ratio

	2023	2022
Total current assets	P 34,764,482	P 41,195,521
Total current liabilities	12,960,073	16,967,429
Current ratio	<u>2.68:1</u>	<u>2.43:1</u>

Quick Ratio

	2023	2022
Total liquid asset	P 34,122,991	P 40,646,315
Total current liabilities	12,960,073	16,967,429
Quick ratio	<u>2.63:1</u>	<u>2.4:1</u>

Working Capital to Total Asset

	2023	2022
Working capital	P 21,804,409	P 24,228,092
Total Asset	49,211,661	54,629,836
Working capital ratio	<u>0.44:1</u>	<u>0.44:1</u>

Solvency Ratio

	2023	2022
Net income (loss) after tax + Depreciation	P (1,066,858)	P 1,587,272
Total liabilities	13,111,163	16,967,429
Solvency ratio	<u>-0.08:1</u>	<u>0.09:1</u>

Debt-to-equity Ratio

	2023	2022
Total liabilities	P 13,111,163	P 16,967,429
Total equity	36,100,498	37,662,407
Debt-to-equity ratio	<u>0.36:1</u>	<u>0.45:1</u>

Asset-to-equity Ratio

	2023	2022
Total assets	P 49,211,661	P 54,629,836
Total equity	36,100,498	37,662,407
Asset to equity ratio	<u>1.36:1</u>	<u>1.45:1</u>

Interest Rate Coverage Ratio

	2023	2022
Pre-tax profit before interest	P (2,027,097)	P 1,376,292
Interest expense	36,507	25,380
Interest rate ratio	<u>-55.53:1</u>	<u>54.23:1</u>

Profitability Ratios*a.) Return on asset ratio*

	2023	2022
Net income after tax	P (1,561,910)	P 1,017,866
Average assets	51,920,749	60,270,557
	<u>-0.03:1</u>	<u>0.02:1</u>

b.) Return on equity ratio

	2023	2022
Net income after tax	P (1,561,910)	P 1,017,866
Average equity	36,881,453	37,153,475
	<u>-0.04:1</u>	<u>0.03:1</u>

d.) Net Profit Margin

	2023	2022
Net profit after tax	P (1,561,910)	P 1,017,866
Revenue	4,012,552	3,692,357
	<u>-0.39:1</u>	<u>0.28:1</u>

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

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
Unit 6-O Vernida I Condominium, 120 Amorsolo St.,
Legaspi Village, Makati City

Unappropriated Retained Earnings, beginning of reporting period	(P21,034,065)
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings	
• Reversal of Retained Earnings Appropriation/s	-
• Effect of restatements or prior-period adjustments	-
• Others	-
	<hr/>
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings	•
• Dividends declaration during the reporting period	-
• Retained Earnings appropriated during the reporting period	-
• Effect of restatements or prior-period adjustments	-
• Others	-
	<hr/>
Unappropriated Retained Earnings, as adjusted	(21,034,065)
Add/Less: Net Income (Loss) for the current year	(1,561,910)
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)	
• Equity in net income of associate/joint venture, net of dividends declared	-
• Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-
• Unrealized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
• Unrealized fair value gain of Investment Property	-
• Other unrealized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-
• Sub-total	<hr/>
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	
• Realized foreign exchange gain, except those attributable to cash and cash equivalents	-
• Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
• Realized fair value gain of Investment Property	-
• Other realized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-
• Sub-total	<hr/>

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

GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
Unit 6-O Vernida I Condominium, 120 Amorsolo St.,
Legaspi Village, Makati City

Add: Category C.3: Unrealized income recognized in the profit or loss in prior reporting periods but reversed in the current reporting period (net of tax)	
• Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-
• Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
• Reversal of previously recorded fair value gain of Investment Property	-
• Reversal of other unrealized gains or adjustments to retained earnings as a result of certain transactions accounted for under the PFRS	-
• Sub-total	<u>-</u>
Adjusted Net Income (Loss)	<u>(1,561,910)</u>
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)	
• Depreciation on revaluation increment (after tax)	-
• Sub-total	<u>-</u>
Add/Less: Category E: Adjustments related to relief granted by SEC and BSP	
• Amortization of the effect of reporting relief	-
• Total amount of reporting relief granted during the year	-
• Others	-
• Sub-total	<u>-</u>
Add/Less: Category F: Other items that should be excluded from the determination of the amount available for dividends distribution	
• Net movement of treasury shares (except for reacquisition of redeemable shares)	-
• Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-
• Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-
• Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
• Others	-
• Sub-total	<u>-</u>
TOTAL RETAINED EARNINGS, END OF THE REPORTING PERIOD AVAILABLE FOR DIVIDEND DECLARATION	<u>(22,595,975)</u>

----- Forwarded message -----

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

Date: Mon, Apr 22, 2024 at 9:15 AM

Subject: Re: 52-AR

To: <ryandellosa@gtowersec.com>

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

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

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

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

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

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

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

1. FORM MC 18 7. Completion Report
2. FORM 1 - MC 19 8. Certificate-SEC Form MCG- 2009

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

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

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

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

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

For your information and guidance.

Thank you.


Reference No : 462400059107661
Date Filed : April 11, 2024 04:07 PM
Batch Number : 0





Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

For BIR Use Only: BCS/Item:

BIR Form No. 1702-RT January 2018(ENCS) Page 1		Annual Income Tax Return For Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X". Two Copies MUST be filed with the BIR and one held by the taxpayer.		 1702-RT 01/18ENCS P1	
1 For <input checked="" type="radio"/> Calendar <input type="radio"/> Fiscal 2 Year Ended (MM/20YY) 12/2023		3 Amended Return? <input type="radio"/> Yes <input checked="" type="radio"/> No 4 Short Period Return? <input type="radio"/> Yes <input checked="" type="radio"/> No		5 Alphanumeric Tax Code (ATC) IC055 Minimum Corporate Income Tax (MCIT) <input checked="" type="checkbox"/>	
Part I - Background Information					
6 Taxpayer Identification Number (TIN) 003 - 253 - 604 - 000		7 RDO Code 047			
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) GOLDEN TOWER SECURITIES & HOLDINGS INCORPORATED					
9A Registered Address (Indicate complete registered address) UNIT 6-0, VERNIDA I CONDOMINIUM AMORSOLO ST LEGASPI VILLAGE, SAN LORENZO CITY OF MAKATI, NCR, FOURTH DI					
9B Zipcode 1223					
10 Date of Incorporation/Organization (MM/DD/YYYY)					
11 Contact Number 8170847			12 Email Address ryandellosa@gtowersec.com		
13 Method of Deductions <input checked="" type="radio"/> Itemized Deductions [Section 34 (A-J), NIRC] <input type="radio"/> Optional Standard Deduction (OSD) - 40% of Gross Income [Section 34(L), NIRC as amended by RA No. 9504]					
Part II - Total Tax Payable (Do NOT enter Centavos)					
14 Total Income Tax Due (Overpayment) (From Part IV Item 43)				0	
15 Less: Total Tax Credits/Payments (From Part IV Item 55)				547,471	
16 Net Tax Payable (Overpayment) (Item 14 Less Item 15) (From Part IV Item 56)				(547,471)	
Add Penalties					
17 Surcharge				0	
18 Interest				0	
19 Compromise				0	
20 Total Penalties (Sum of Items 17 to 19)				0	
21 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Item 16 and 20)				(547,471)	
If Overpayment, mark "X" one box only (Once the choice is made, the same is irrevocable)					
<input checked="" type="radio"/> To be refunded <input type="radio"/> To be issued a Tax Credit Certificate (TCC) <input type="radio"/> To be carried over as tax credit next year/quarter					
We declare under the penalties of perjury, that this annual return has been made in good faith, verified by us, and to the best of our knowledge and belief, is true and correct pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If Authorized Representative, attach authorization letter and indicate TIN)					
Signature over printed name of President/Principal Officer/Authorized Representative KENNETH S. LAO				Signature over printed name of Treasurer/Assistant Treasurer BEATRIZ R. LAO	
Title of Signatory		TIN 252845645		TIN 252845645	
22 Number of Attachments		4			
Part III - Details of Payment					
Particulars		Drawee Bank/Agency		Number	
23 Cash/Bank Debit Memo				0	
24 Check				0	
25 Tax Debit Memo				0	
26 Others (Specify Below)				0	
Machine Validation/Revenue Official Receipts Details (If not filed with an Authorized Agent Bank)				Stamp of receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)	

BIR Form No. 1702-RT January 2018(ENCS) Page 2	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P2
Taxpayer Identification Number (TIN) 003 - 253 - 604 - 000		Registered Name GOLDEN TOWER SECURITIES & HOLDINGS INCORPORATED
Part IV - Computation of Tax (Do NOT enter Centavos)		
27 Sales/Receipts/Revenues/Fees		4,078,192
28 Less: Sales Returns, Allowances and Discounts		0
29 Net Sales/Receipts/Revenues/Fees (Item 27 Less Item 28)		4,078,192
30 Less: Cost of Sales/Services		4,555,442
31 Gross Income from Operation (Item 29 Less Item 30)		(477,250)
32 Add: Other Taxable Income Not Subjected to Final Tax		24,424
33 Total Taxable Income (Sum of Items 31 and 32)		(452,826)
Less: Deductions Allowable under Existing Law		
34 Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)		1,414,889
35 Special Allowable Itemized Deductions (From Part VI Schedule II Item 5)		0
36 NOLCO (only for those taxable under Sec. 27(A to C); Sec. 28(A)(1) & (A)(6)(b) of the tax Code) (From Part VI Schedule III Item 8)		0
37 Total Deductions (Sum of Items 34 to 36)		1,414,889
OR [in case taxable under Sec 27(A) & 28(A)(1)]		
38 Optional Standard Deduction (40% of Item 33)		0
39 Net Taxable Income/(Loss) (If Itemized: Item 33 Less Item 37; If OSD: Item 33 Less Item 38)		(1,867,715)
40 Applicable Income Tax Rate		20%
41 Income Tax Due other than Minimum Corporate Income Tax (MCIT) (Item 39 x Item 40)		0
42 MCIT Due (2% of Item 33)		0
43 Tax Due (Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher) (To Part II Item 14)		0
Less: Tax Credits/Payments (attach proof)		
44 Prior Year's Excess Credits Other Than MCIT		507,521
45 Income Tax Payment under MCIT from Previous Quarter/s		0
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s		0
47 Excess MCIT Applied this Current Taxable Year (From Part VI Schedule IV Item 4)		0
48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307		19,759
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter		20,191
50 Foreign Tax Credits, if applicable		0
51 Tax Paid in Return Previously Filed, if this is an Amended Return		0
52 Special Tax Credits (To Part V Item 58)		0
Other Credits/Payments (Specify)		
53		0
54		0
55 Total Tax Credits/Payments (Sum of Items 44 to 54) (To Part II Item 15)		547,471
56 Net Tax Payable / (Overpayment) (Item 43 Less Item 55) (To Part II Item 16)		(547,471)
Part V - Tax Relief Availment		
57 Special Allowable Itemized Deductions (Item 35 of Part IV x Applicable Income Tax Rate)		0
58 Add: Special Tax Credits (From Part IV Item 52)		0
59 Total Tax Relief Availment (Sum of Items 57 and 58)		0

BIR Form No. 1702-RT January 2018(ENCS) Page 3	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P3
Taxpayer Identification Number (TIN) 003 - 253 - 604 - 000		Registered Name GOLDEN TOWER SECURITIES & HOLDINGS INCORPORATED
Schedule I - Ordinary Allowable Itemized Deductions (Attach additional sheet/s, if necessary)		
1 Amortizations		0
2 Bad Debts		0
3 Charitable Contributions		0
4 Depletion		0
5 Depreciation		123,493
6 Entertainment, Amusement and Recreation		0
7 Fringe Benefits		0
8 Interest		0
9 Losses		65,640
10 Pension Trust		0
11 Rental		452,600
12 Research and Development		0
13 Salaries, Wages and Allowances		0
14 SSS, GSIS, Philhealth, HDMF and Other Contributions		0
15 Taxes and Licenses		72,787
16 Transportation and Travel		2,266
17 Others (Deductions Subject to Withholding Tax and Other Expenses) (Specify below; Add additional sheet(s), if necessary)		
a Janitorial and Messengerial Services		0
b Professional Fees		204,500
c Security Services		0
d POSTAGE TELEPHONE AND COMMUNICATION		80,483
e UTILITIES		64,129
f MANAGEMENT FEE		63,362
g OFFICE SUPPLIES		61,528
h ASSOCIATION DUES		57,377
i OTHERS		166,724
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17) (To Part IV Item 34)		1,414,889
Schedule II - Special Allowable Itemized Deductions (Attach additional sheet/s, if necessary)		
Description	Legal Basis	Amount
1		0
2		0
3		0
4		0
5 Total Special Allowable Itemized Deductions (Sum of Items 1 to 4) (To Part IV Item 35)		0

BIR Form No. 1702-RT January 2018(ENCS) Page 4	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P4
Taxpayer Identification Number (TIN) 003 - 253 - 604 - 000		Registered Name GOLDEN TOWER SECURITIES & HOLDINGS INCORPORATED

Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)	
1 Gross Income (From Part IV Item 33)	(452,826)
2 Less: Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)	1,414,889
3 Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 7A)	(1,867,715)

Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)			
Net Operating Loss		B) NOLCO Applied Previous Year	
Year Incurred	A) Amount		
4 2023	1,867,715		0
5 2022	973,680		0
6	0		0
7	0		0

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

C) NOLCO Expired	D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) (E = A Less (B + C + D))
4 0	0	1,867,715
5 0	0	973,680
6 0	0	0
7 0	0	0
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV, Item 36)	0	

Schedule IV - Computation of Minimum Corporate Income Tax (MCIT)			
Year	A) Normal Income Tax as adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1 2022	0	24,657	24,657
2 2021	0	40,418	40,418
3 2020	0	20,483	20,483

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

D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s (G = C Less (D + E + F))
1 0	0	0	24,657
2 0	0	0	40,418
3 0	0	0	20,483
Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV Item 47)		0	

Schedule V - Reconciliation of Net Income per Books Against Taxable Income (attach additional sheet/s, if necessary)	
1 Net Income/(Loss) per books	(2,063,605)
Add: Non-deductible Expenses/Taxable Other Income	
2 TEMPORARY DIFFERENCE, NET	743,169
3	0
4 Total (Sum of Items 1 to 3)	(1,320,436)
Less: A) Non-Taxable Income and Income Subjected to Final Tax	
5 INTEREST EXPENSE	2,189
6 DIVIDEND INCOME	545,090
B) Special Deductions	
7	0
8	0
9 Total (Sum of Items 5 to 8)	547,279
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)	(1,867,715)

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

FILING REFERENCE NO.


TIN	: 003-253-604-000
Name	: GOLDEN TOWER SECURITIES & HOLDINGS INCORPORATED
RDO	: 047
Form Type	: 1702
Reference No.	: 462400059107661
Amount Payable (Over Remittance)	: -547,471.00
Accounting Type	: C - Calendar
For Tax Period	: 12/31/2023
Date Filed	: 04/11/2024
Tax Type	: IT


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PEREZ, SESE, VILLA & CO.
CERTIFIED PUBLIC ACCOUNTANTS

 admin@psv-co.com

 (02) 8 994-3984

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

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

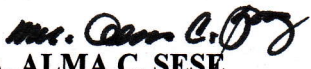
To The Board of Directors
GOLDEN TOWER SECURITIES AND HOLDINGS, INC.
Unit 6-O Vernida I Condominium, 120 Amorsolo St.,
Legaspi Village, Makati City

We have audited the financial statements of **GOLDEN TOWER SECURITIES AND HOLDINGS, INC.** for the year ended December 31, 2023, on which we have rendered the attached report dated March 20, 2024.

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

1. The taxes paid and accrued by the above Company for the year ended December 31, 2023 are shown in the Schedule of Taxes and Licenses.
2. No partner of our Firm is related by consanguinity or affinity to the president, manager or principal shareholders of the Company.

PEREZ, SESE, VILLA & CO.

BY: 
MA. ALMA C. SESE
MANAGING PARTNER

CPA License No. 0054588

Tax Identification No. 212-955-173-000

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

SEC Accreditation No:

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

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

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

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

BIR Accreditation No. 04-003494-1-2024, issued on March 11, 2024,

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

IC Accreditation No.

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

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

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

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

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

Manila, Philippines
March 20, 2024



GOLDEN TOWER
SECURITIES and HOLDINGS, INC.
MEMBER: PHILIPPINE STOCK EXCHANGE

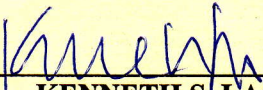
**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN**

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

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

- (a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- (b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Company's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- (c) **GOLDEN TOWER SECURITIES AND HOLDINGS, INC.** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

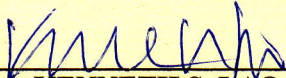
BY:
GOLDEN TOWER SECURITIES AND HOLDINGS, INC.



KENNETH S. LAO
President



BEATRIZ R. LAO
Treasurer



KENNETH S. LAO
Chairman

Unit 6-O Vernida 1 Condominium, 120 Amorsolo Street, Legazpi Village, Makati City
Tel.: (632) 8892-1316



Ryan Dellosa <ryandellosa@gtowersec.com>

BIR Email Notification (eFiling of Tax Return)

1 message

no-reply@bir.gov.ph <no-reply@bir.gov.ph>
To: ryandellosa@gtowersec.com

Thu, Apr 11, 2024 at 4:08 PM

Good Day GOLDEN TOWER SECURITIES & HOLDINGS INCORPORATED,

Thank you for filing your Return through eFPS.

This email indicates that the eFiled Return has been submitted to BIR, see below the summary details of your tax filing transaction for your reference. To ensure that the said transaction was successfully submitted, please inquire your eReturn Details through the eFPS Tax Inquiry.

From,

Bureau of Internal Revenue

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

FILING REFERENCE NO.

TIN	: 003-253-604-000
Name	: GOLDEN TOWER SECURITIES & HOLDINGS INCORPORATED
RDO	: 047
Form Type	: 1702
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PLEASE DO NOT REPLY TO THIS E-MAIL