



## SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7997 Makati Avenue, Salcedo Village, Bldg. 2, Makati City  
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### Company Information

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SEC Registration No.: 0000170885

Company Name: ASIASEC EQUITIES INC.

Industry Classification: J66930

Company Type: Stock Corporation

### Document Information

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Period Covered: December 31, 2024

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**CERTIFIED TRUE COPY**

  
NENITA S. TOMACRUZ

ASIASEC EQUITIES, INC.  
ASST. CORPORATE SECRETARY

**COVER SHEET**  
for  
**AUDITED FINANCIAL STATEMENTS**

SEC Registration Number

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**Company Name**

[illegible]

Principal Office ( No./Street/Barangay/City/Town)Province)

[illegible]

Form Type

A	A	F	S
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

STOCK BROKER

## COMPANY INFORMATION

Company's Email Address

**info@asiasecequities.com**

Company's Telephone Number/s

8	4	5	-	3	4	2	1
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Mobile Number

Mobile Number  
0906-4591-732

No. of Stockholders

7

Annual Meeting  
Month/Day

Month/Day  
April-8

Fiscal Year  
Month/Day

Month/Day  
Dec-31

## CONTACT PERSON INFORMATION

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

Name of Contact Person

**DENNIS L. IGNACIO**

Email Address

Email Address  
dignacio@asiasecequities.com

Telephone Number/s

Telephone Number/s  
845-3421

Mobile Number

Mobile Number  
**0917-6238-911**

## CONTACT PERSON'S INFORMATION

8/F Chatham House, 116 Valero cor. V.A. Rufino St., Salcedo Village, Makati City

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

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

**ASIASEC EQUITIES, INC.**  
**ANNUAL AUDITED FINANCIAL REPORTS**  
**INDEX TO FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY SCHEDULES**  
**DECEMBER 31, 2024**

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

**ANNUAL AUDITED FINANCIAL REPORT**

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

Report for the Period Beginning January 1, 2024 and Ending December 31, 2024.

<b>IDENTIFICATION OF BROKER OR DEALER</b>	
<b>Name of Broker/Dealer</b>	: <b>ASIASEC EQUITIES, INC.</b>
<b>Address of Principal Place of Business</b>	: 8th Floor, Chatham House, 116 Valero cor. V.A Rufino Streets, Salcedo Village, Makati City
<b>Name and Phone Number of Person to Contact with Regards to this Report</b>	
<b>Name</b>	: Dennis L. Ignacio
<b>Telephone Number</b>	: 845-3421
<b>Fax Number</b>	: 845-3419

<b>IDENTIFICATION OF ACCOUNTANT</b>	
<b>Name of Independent Certified Public Accountant whose opinion is contained in this Report:</b>	
<b>Name</b>	: Pamela Grace S. Tangso  MENDOZA TUGANO & CO.
<b>CPA Certificate No.</b>	: 0188635
<b>SEC Accreditation No.</b>	: 2022070060056-19
<b>Tax Identification No.</b>	: 249-790-835
<b>BIR Accreditation No.</b>	: 08-008188-003-2024
<b>PTR Number</b>	: 10473024
<b>Date Issued</b>	: January 6, 2025
<b>Tel. Number</b>	: 887-1888
<b>Fax Number</b>	: 887-1264
<b>Address</b>	: 16th Floor, The Salcedo Towers, 169 H. V. Dela Costa Street, Salcedo Village, Makati City



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

January 31, 2025

Securities and Exchange Commission  
7907 Makati Avenue, Salcedo Village,  
Bel-Air, Makati City 1209


The management of **ASIASEC EQUITIES, INC.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2024 and 2023**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.


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

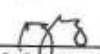
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

Mendoza Tugano & Co., CPAs, the independent auditors, appointed by the stockholders for the years ended December 31, 2024 and 2023, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

  
\_\_\_\_\_  
**WARREN T. SY**  
(Chairman of the Board)

  
\_\_\_\_\_  
**DENNIS L. IGNACIO**  
(President)


  
\_\_\_\_\_  
**SANDRA S. CHONG**  
(Treasurer)

SUBSCRIBED AND SWORN TO, before me this **MAR 11 2025** day of \_\_\_\_\_, at Makati City, exhibiting to me their Social Security System ID No. and Driver's License ID No. as follows:

WARREN T. SY  
DENNIS L. IGNACIO  
SANDRA S. CHONG

Driver's License ID No. N09-83-027774  
SSS ID No. 03-7795572-4  
SSS ID No. 03-7257254-1

Doc. No. 214  
Page No. 11  
Book No. 18  
Series of 2025

  
**ATTY. RODRIGO S. DE REAL, JR.**  
Notary Public - Makati until 12/31/2026  
Apt. No. M-045 B/P No. 486045 12/20/2024  
Roll No. 49763 MCE No. VII-018902  
PTR No. 2679764 01/02/2025 Manila  
6<sup>th</sup> Flr VGP Center Room 605 6772 Ayala Ave. Makati





**MENDOZA**

Tugano & Co., CPAs

16th Floor, The Salcedo Towers 169  
H.V. de la Costa Street, Salcedo  
Village, Makati City, 1227 Philippines

(632) 8887-1888 | [www.mtco.com.ph](http://www.mtco.com.ph)

**SUPPLEMENTAL STATEMENT  
OF INDEPENDENT AUDITOR**

The Board of Directors and Stockholders

**Asiasec Equities, Inc.**

8<sup>th</sup> Floor, Chatham House

116 Valero cor. Herrera Streets,

Salcedo Village, Makati City

We have examined the financial statements of Asiasec Equities, Inc. for the year ended December 31, 2024, on which we have rendered the attached report dated February 14, 2025.

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

For the Firm: **MENDOZA TUGANO & CO., CPAs**



**PAMELA GRACE S. TANGSO**

Partner

CPA Certificate No. 118635

BOA accreditation No. 9682/P-003

Valid from May 08, 2024 to July 18, 2026

TIN 249-790-835

BIR Accreditation No. 08-008188-003-2024,

December 03, 2024, valid until December 02, 2027

PTR No. 10473024, January 6, 2025, Makati City

February 14, 2025



**MENDOZA**

Tugano & Co., CPAs

16th Floor, The Salcedo Towers 169  
H.V. de la Costa Street, Salcedo  
Village, Makati City, 1227 Philippines

(632) 8887-1888 | [www.mtco.com.ph](http://www.mtco.com.ph)

## INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders

**Asiasec Equities, Inc.**

8th Floor, Chatham House, 116 Valero corner,  
V.A. Rufino Street, Salcedo Village, Makati City

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Asiasec Equities, Inc. ("the Company"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the statements of income, statement of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the year 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision 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 continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

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

## Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Asiasec Equities, Inc. taken as a whole. The supplementary information for the years ended December 31, 2024 and 2023 required by the Bureau of Internal Revenue as disclosed in Note 27 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements prepared in accordance with PFRS. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

For the Firm: **MENDOZA TUGANO & CO., CPAs**



**PAMELA GRACE S. TANSO**  
Partner  
CPA Certificate No. 118635  
BOA accreditation No. 9682/P-003  
Valid from May 08, 2024 to July 18, 2026  
TIN 249-790-835  
BIR Accreditation No. 08-008188-003-2024,  
December 03, 2024, valid until December 02, 2027  
PTR No. 10473024, January 6, 2025, Makati City

February 14, 2025

Hi ASIASEC EQUITIES, INC.,

**Valid files**

- EAFS000154961OTHTY122024.pdf
- EAFS000154961ITRTY122024.pdf
- EAFS000154961AFSTY122024.pdf

**Invalid file**

- <None>

Transaction Code: **AFS-0-2MXW1VV095DG95DLMYM213Z30Q2VRQ2VR**

Submission Date/Time: **Mar 27, 2025 08:07 AM**

Company TIN: **000-154-961**

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

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

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

**ASIASEC EQUITIES, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**DECEMBER 31, 2024 AND 2023**

*(Amounts in Philippine Peso)*

		2024				2023			
	Notes	Money		Security Valuation		Money		Security Valuation	
		Balance		Long	Short	Balance		Long	Short
<b>ASSETS</b>									
<b>Current Assets</b>									
Cash and cash equivalents	2, 4, 5, 25	<b>₱128,491,557</b>				<b>₱166,270,866</b>			
Financial asset measured at fair value through profit or loss	2, 3, 4, 6, 25	<b>155,819,584</b>		<b>₱155,819,584</b>		<b>131,956,566</b>		<b>₱131,956,566</b>	
Receivables from:	2, 3, 4, 7, 25								
Customers – net		<b>169,286,128</b>		<b>42,178,655,831</b>		<b>83,970,325</b>		<b>28,383,431,131</b>	<b>₱–</b>
Clearing house		<b>122,977,335</b>				<b>–</b>			
Brokers		<b>–</b>		<b>7,150,000</b>		<b>7,128,550</b>		<b>7,150,000</b>	
Others		<b>40,200</b>				<b>21,580</b>			
Prepayments and other current assets	2, 8, 25	<b>11,768,981</b>				<b>10,902,093</b>			
Total Current Assets		<b>588,383,785</b>				<b>400,249,980</b>			
<b>Noncurrent Assets</b>									
Property and equipment – net	2, 3, 9	<b>4,694,241</b>				<b>2,835,650</b>			
Trading right	2, 3, 10	<b>945,000</b>				<b>945,000</b>			
Retirement plan asset	2, 3, 19	<b>7,752,168</b>				<b>–</b>			
Other assets	2, 4, 11	<b>7,425,917</b>				<b>6,870,000</b>			
Total Noncurrent Assets		<b>20,817,326</b>				<b>10,650,650</b>			
<b>TOTAL ASSETS</b>		<b>₱609,201,111</b>				<b>₱410,900,630</b>			
<b>Securities in Vault, Transfer Office</b>									
<b>Philippine Central Depository, Inc.</b>									
				<b>₱112,333,440,367</b>				<b>₱76,312,416,458</b>	
<i>(Forward)</i>									

*(Forward)*

		2024		2023	
		Money		Money	
		Balance	Security Valuation	Balance	Security Valuation
			Long	Long	Short
<b>LIABILITIES AND EQUITY</b>					
<b>Current Liabilities</b>					
Payable to:	2, 4, 12, 25				
Customers		P293,667,323	P70,166,888,366	P82,305,199	P12,250,095
Clearing House				43,266,085	
Brokers		8,514	120,680	5,015	97,930
Accounts payable and accrued expenses	2, 13	6,157,753		4,240,852	
Lease liability	2, 14	1,502,059		1,496,528	
Total Current Liabilities		301,335,649		131,313,679	
<b>Noncurrent Liabilities</b>					
Retirement plan liability	2, 19	–		46,770	
Deferred tax liabilities – net	2, 15	22,335,110		17,756,834	
Total Noncurrent Liabilities		22,335,110		17,803,604	
Total Liabilities		323,670,759		149,117,283	
<b>Equity</b>					
Share capital – P100 par value	2, 4, 22				
Authorized – 2,000,000 shares					
Issued and outstanding – shares		105,000,000		105,000,000	
Retained earnings					
Appropriated		77,105,243		75,231,707	
Unappropriated		103,808,235		86,946,414	
Remeasurement losses on defined benefit plan – net of tax	2, 3, 19	(383,126)		(5,394,774)	
Total Equity		285,530,352		261,783,347	
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P609,201,111</b>	<b>P112,508,634,461</b>	<b>P410,900,630</b>	<b>P76,324,666,553</b>

See accompanying Notes to Financial Statements.



**ASIASEC EQUITIES, INC.****STATEMENTS OF COMPREHENSIVE INCOME**

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

*(Amounts in Philippine Peso)*

	Notes	2024	2023
COMMISSION INCOME	2, 16	<b>₱53,267,318</b>	₱83,159,026
COST OF SERVICES	2, 17	<b>(39,550,508)</b>	(55,747,095)
GROSS INCOME		13,716,810	27,411,931
ADMINISTRATIVE EXPENSES	2, 18	<b>(20,283,369)</b>	(19,089,753)
OTHER INCOME (EXPENSES) – net	2, 20	<b>28,507,536</b>	(7,073,097)
INCOME BEFORE INCOME TAX		<b>21,940,977</b>	1,249,081
PROVISION FOR (BENEFIT FROM) INCOME TAX	2, 15		
Current		<b>297,894</b>	1,947,680
Deferred		<b>2,907,726</b>	(3,620,926)
		<b>3,205,620</b>	(1,673,246)
NET INCOME		<b>18,735,357</b>	2,922,327
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>			
Remeasurement income			
defined benefit plan	2, 3, 19	<b>6,682,198</b>	10,565
Income tax effect	2, 15	<b>(1,670,550)</b>	(2,641)
		<b>5,011,648</b>	7,924
TOTAL COMPREHENSIVE INCOME		<b>₱23,747,005</b>	₱2,930,251
EARNINGS PER SHARE	2, 21	<b>₱17.84</b>	₱2.78

*See accompanying Notes to Financial Statements.*

**ASIASEC EQUITIES, INC.**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

*(Amounts in Philippine Peso)*

	Share Capital	Retained Earnings		Remeasurement Gain (Loss) on Defined Benefit Plan	Total
		Appropriated	Unappropriated		
Balances at December 31, 2022	P105,000,000	P75,231,707	P84,024,087	(P5,402,698)	P258,853,096
Net income in 2023	-	-	2,922,327	-	2,922,327
Remeasurement income on defined benefit plan for 2023 (Note 19)	-	-	-	7,924	7,924
Balances at December 31, 2023	P105,000,000	P75,231,707	P86,946,414	(P5,394,774)	P261,783,347
Net income in 2024	-	-	18,735,357	-	18,735,357
Appropriation for the year (Note 22)	-	P1,873,536	(P1,873,536)	-	-
Remeasurement income on defined benefit plan for 2024 (Note 19)	-	-	-	5,011,648	5,011,648
Balances at December 31, 2024	P105,000,000	P77,105,243	P103,808,235	(P383,126)	P285,530,352

See accompanying Notes to Financial Statements.

**ASIASEC EQUITIES, INC.****STATEMENTS OF CASH FLOWS****FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023***(Amounts in Philippine Peso)*

	Notes	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax		<b>P21,940,977</b>	<b>P1,249,081</b>
Adjustments for:			
Unrealized loss (gain) on financial asset measured at fair value through profit or loss	6, 20	<b>(18,084,090)</b>	16,881,213
Dividend income	6, 20	<b>(6,230,737)</b>	(6,230,805)
Depreciation and amortization	9, 18	<b>1,709,492</b>	2,765,656
Interest income	20	<b>(2,591,865)</b>	(1,823,509)
Employee retirement cost recorded in profit or loss	19	<b>923,260</b>	82,054
Interest expense on lease liability	14, 20	<b>53,444</b>	42,837
Recovery from bad debt	7, 20	<b>1,269,902</b>	372,472
Operating income (loss) before working capital changes		<b>(1,009,617)</b>	13,338,999
Decrease (increase) in:			
Held for trading securities		<b>(5,778,928)</b>	—
Receivable from:			
Customers		<b>(86,585,705)</b>	(34,624,228)
Clearing house		<b>(122,977,335)</b>	99,417,451
Brokers		<b>7,128,550</b>	(6,225,350)
Others		<b>(18,620)</b>	107,349
Prepayments and other current assets		<b>(866,888)</b>	950,952
Other assets		<b>(555,917)</b>	—
Increase (decrease) in:			
Payable to:			
Customers		<b>211,362,124</b>	(153,090,536)
Clearing house		<b>(43,266,085)</b>	43,266,085
Brokers		<b>3,499</b>	2,042
Accounts payable and accrued expenses		<b>1,916,901</b>	(12,360,080)
Subscriptions payable of stock rights		<b>—</b>	(7,031,250)
Net cash used in operations		<b>(40,648,021)</b>	(56,248,566)
Dividend received		<b>6,230,737</b>	6,230,805
Contributions to plan assets		<b>(2,040,000)</b>	(2,040,000)
Interest received		<b>2,591,865</b>	1,823,509
Income tax paid		<b>(297,894)</b>	(1,947,680)
Net cash used in operating activities		<b>(34,163,313)</b>	(52,181,932)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of property and equipment	9	<b>(1,765,536)</b>	(3,266,371)
Net cash used in investing activities		<b>(1,765,536)</b>	(3,266,371)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liability	14	<b>(1,797,016)</b>	(1,807,623)
Payment of interest on lease liability	14	<b>(53,444)</b>	(42,837)
Cash used in financing activities		<b>(1,850,460)</b>	(1,850,460)
<i>(Forward)</i>			

NET DECREASE IN CASH AND CASH EQUIVALENTS		(37,779,309)	(57,298,763)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		166,270,866	223,569,629
CASH AND CASH EQUIVALENTS AT END OF YEAR	5	<b>P128,491,557</b>	<b>P166,270,866</b>

*See accompanying Notes to Financial Statements.*

# **ASIASEC EQUITIES, INC.**

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## **NOTES TO FINANCIAL STATEMENTS**

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### **1. General**

Asiasec Equities, Inc. ("the Company") was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on November 21, 1989. The Company is engaged in the brokerage business of stocks, bonds and other financial securities.

The Company is a member of the Philippine Stock Exchange, Inc. (PSE).

The Company has its registered office address, which is also its principal place of business at 8th Floor, Chatham House, 116 Valero corner V.A. Rufino Street, Salcedo Village, Makati City. It has 22 and 24 employees as of December 31, 2024 and 2023, respectively.

On November 13, 2023, the Company's majority shareholders sold their 99.99% ownership stake to Carrick Corporation.

Then, on November 22, 2023, the Company submitted to the PSE an application for Change in Controlling Interest on account of the purchase by Carrick Corporation of the Company's issued and outstanding shares. The same was approved by the PSE in its meeting held on September 18, 2024.

These financial statements have been approved and authorized for issuance by the Board of Directors on February 14, 2025.

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### **2. Basis of Preparation, Statement of Compliance and Summary of Material Accounting Policy Information Adopted**

#### **2.1 Statement of Compliance**

The financial statements of the Company have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS), International Financial Reporting Interpretations Committee (IFRIC)/Standing Interpretations Committee Interpretations and Philippine Interpretations Committee Interpretations, which have been approved by the Financial Reporting Standards Council (FRSC) and adopted by SEC, including SEC pronouncements.

#### **2.2 Basis of Preparation**

The accompanying financial statements have been prepared using the measurement bases specified by PFRS Accounting Standards for each type of resource, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow. All values are rounded to the nearest peso except as otherwise indicated.

#### **2.3 New Standards, Interpretations, and Amendments**

##### **2.3.1 New standards and amendments effective beginning on or after January 1, 2024**

The following standards and amendments have become effective for the annual periods commencing on or after January 1, 2024.

Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Company.

- Amendments to PAS 1, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and,
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PAS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising from a sale and leaseback transaction in a way that it does not recognize any amount of gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Statement of Cash Flows, and Financial Instruments: Disclosures – Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

## **2.4 Future Changes in Accounting Policies**

The standards and interpretations that were issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. The Company intends to adopt these standards when they become effective. Unless otherwise stated, adoption of these standards and interpretations are not expected to have any significant impact on the financial statements of the Company.

### 2.4.1 Effective on or after January 1, 2025

- Amendments to PAS 21, *Lack of exchangeability*

### 2.4.2 Effective on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 7, *Gain or Loss on Derecognition*
- Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*

### 2.4.3 Effective on or after January 1, 2027

- Amendments to PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 17, *Insurance Contracts*

### 2.4.4 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*

## 2.5 Significant Accounting Policies

### 2.5.1 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of the instrument. In the case of regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting. Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument of a component that is a financial liability, are reported as expense or income. Distribution to holders of financial instruments classified as equity are charged directly to shareholders' equity, net of any related income tax benefits. Financial instruments are offset when there is a legally enforceable right to offset and intention to settle either on a net basis or to realize the asset and settle the liability simultaneously.

#### 2.5.1.1 Financial assets

##### 2.5.1.1.1 Initial recognition of financial instruments

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### 2.5.1.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments).
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.



*2.5.1.1.2.1 Financial assets at amortized cost (debt instruments)*

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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.

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

The Company's financial assets at amortized cost includes receivables from customers, brokers and others.

*2.5.1.1.2.2 Financial assets at fair value through OCI (debt instruments)*

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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 debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company does not have debt instruments at fair value through OCI as of December 31, 2024 and 2023.

*2.5.1.1.2.3 Financial assets designated at fair value through OCI (equity instruments)*

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under PAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have financial assets designated at fair value through OCI as of December 31, 2024 and 2023.

*2.5.1.1.2.4 Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.



Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

The Company has financial assets at fair value through profit or loss amounted to P155,819,584 and P131,956,566 as of December 31, 2024 and 2023, respectively.

#### *2.5.1.1.3 Embedded derivatives*

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

As of December 31, 2024 and 2023 the Company does not have any embedded derivatives required to be separated from the host contract.

#### *2.5.1.1.4 Derecognition*

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### *2.5.1.1.5 Impairment of financial assets*

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

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

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

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

#### *2.5.1.2 Financial liabilities*

##### *2.5.1.2.1 Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities includes payable to customers, clearing house and broker, accounts payable and accrued expenses, lease liabilities and dividend payables.

##### *2.5.1.2.2 Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

##### *2.5.1.2.2.1 Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in PFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

#### *2.5.1.2.2.2 Loans and borrowings*

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

#### *2.5.1.2.3 Derecognition*

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### *2.5.1.3 Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 2.5.2 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.5.3 Receivables from Customers and Clearing House

Receivables from customers, which include margin accounts, and payable to clearing house and other brokers arise from securities purchased (in a regular way transaction) that have been contracted for but not yet delivered and settled at the end of the reporting period.

Receivable from clearing house and other brokers arise from securities sold (in a regular way transaction) that have been contracted for but not yet delivered and settled at the end of the reporting period. Refer to the accounting policy for 'Loans and receivables' and 'Other financial liabilities' for recognition and measurement.

### 2.5.4 Prepayments and Other Current Assets

#### *2.5.4.1 Creditable withholding tax*

Creditable withholding tax represents income tax withheld by the customers that can be claimed as credit against the Company's income tax liabilities.

#### *2.5.4.2 Prepayments*

Prepayments include expenses already paid but not yet incurred. These are measured at cost less amortization.

#### 2.5.5 Property and Equipment

Property and equipment are stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and amortization and any impairment in value.

Depreciation and amortization is calculated on a straight-line basis over the expected useful lives of the assets as follows:

Property and Equipment	No. of Years
Office equipment	3
Furniture and fixtures	3
Leasehold improvements	5
Transportation equipment	5
Right-of-use asset	1

The Company recognized right-of-use asset for leases of office space. The lease typically run for a period of one year. The lease contain an option to renew at the end of the lease term and is being subjected to reviews to reflect current market rentals. The renewal option provides operational flexibility in managing the leased asset portfolio and aligns the business needs of the Company. The amortization period of the depreciation of the right-of-use asset was based on the lease term of the leased asset.

Expected useful lives are reviewed at each statement of financial position date and if they differ significantly from previous estimates, the remaining depreciation periods are adjusted accordingly.

The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance and overhaul costs, are normally charged to operations in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment. Cost also includes any asset retirement obligation and interest on borrowed funds used. When assets are sold or retired, their costs and accumulated depreciation, amortization and impairment losses, if any, are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statements of comprehensive income of such period.

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

#### 2.5.6 Trading Right

Trading right is carried at cost less any impairment in value. The trading right is an intangible asset to be regarded as having an indefinite useful life as there is no foreseeable limit to the period over which this asset is expected to generate net cash inflows for the Company.

In accordance with PAS 38, *Intangible Assets*, intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortized. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. Any impairment loss is taken up as a charge against current operations.



A gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statements of comprehensive income when the asset is derecognized.

#### 2.5.7 Other Assets

##### 2.5.7.1 Investments in stock

Investments in stock are investment in unquoted equity securities measured at fair value.

##### 2.5.7.2 Refundable deposit

Refundable deposits are cash paid to lessor that the Company expects a return after the lease term. These are measured at cost.

##### 2.5.7.3 Other asset – CTGF

Other asset – CTGF refers to the refundable balance of the Company's contributions to the Clearing and Trade Guaranty Fund (CTGF) that is recognized as an asset in accordance to SCCP Memo No. 01-0718. These amendments, allow clearing members to receive refunds of their CTGF contributions upon cessation of business and/or termination of their membership with SCCP, provided all liabilities to SCCP at the time of termination are fully satisfied.

#### 2.5.8 Impairment of Nonfinancial Assets

This accounting policy applies primarily to the Company's property and equipment (see Note 9) and trading right (see Note 10).

The Company assesses at each statement of financial position date whether there is an indication that its nonfinancial assets may be impaired. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Company makes a formal estimate of recoverable amount. Recoverable amount is the higher of an asset's (or cash-generating unit's) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash-generating unit to which it belongs. Where the carrying amount of an asset (or cash generating unit) exceeds its recoverable amount, the asset (or cash-generating unit) is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit). Impairment losses are recognized in the statements of comprehensive income.

An assessment is made at each statement of financial position date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of comprehensive income. After such a reversal, the depreciation and amortization expense is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining life.

#### 2.5.9 Payable to Customers and Brokers

Payable to customers and brokers are liabilities to pay for the unclaimed payout of the customers. These are non-interest bearing and are initially recognized at fair value and subsequently measured at amortized cost less settlement payments.

#### 2.5.10 Payable to Clearing House

Payable to clearing house are liabilities (for the stock purchases of the Company's customers through the Philippine Stock Exchange). These are non-interest bearing and are normally settled within four days from stock purchase date. This is measured at transaction amount which approximates fair value.

#### 2.5.11 Accounts Payables

Accounts payables are recognized in the period in which the related money, goods, or services are received or when a legally enforceable claim against the Company is established. These are non-interest bearing and are recognized initially at transaction amounts, which approximates their fair values. These are classified as current liabilities if payment is due within (1) year or less (or in the normal operating cycle of the business if longer). If not, these are presented as non-current liabilities and subsequently measured at amortized cost.

#### 2.5.12 Accrued Expenses

Accrued expenses are recognized in the period in which the related money, goods or services are received or incurred and have been invoiced or formally agreed with the supplier. These are non-interest bearing and are stated at their amortized cost if payable beyond 12 months otherwise are stated at cost.

#### 2.5.13 Subscription Payable

Subscription payable represents the unpaid balance of the Company's subscription to stock rights in a listed company. This is initially recorded at the acquisition cost and subsequently measured at net of settlement payments.

#### 2.5.14 Provisions

Provisions are recognized when: (a) the Company has a present obligation (legal or constructive) as a result of a past event; (b) it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense in the statements of comprehensive income. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is probable.

#### 2.5.15 Contingencies

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

Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

#### 2.5.16 Share Capital

Share Capital are classified as equity and are recorded at par. Proceeds in excess of par value are recorded as 'Additional paid-in capital' in the statements of financial position.

The costs of acquiring Company's own shares are shown as a deduction from equity attributable to the Company's equity holders until the shares are cancelled or reissued. When such shares are subsequently sold or reissued, any consideration received, net of directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

#### 2.5.17 Dividend on Share Capital

Dividends on share capital are recognized as a liability and deducted from equity when approved by the Board of Directors in the case of cash dividends.

#### 2.5.18 Retained Earnings

Retained earnings include all current and prior period results of operations as disclosed in the statements of comprehensive income.

#### 2.5.19 Earnings Per Share

Basic earnings per share is calculated by dividing the profit for the year attributable to the common shareholders of the Company by the weighted average number of common shares outstanding during the year, after considering the retroactive effect of stock dividend declaration, if any.

#### 2.5.20 Revenue and Cost Recognition

Revenue is recognized when it is probable that a transaction will generate a future economic benefit to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

##### *2.5.20.1 Commission income*

Commissions are recognized at the point of trade execution when the Company fulfills its obligation to facilitate securities transactions on behalf of its customers.

Commissions are derived from external customers disaggregated by individual, government institution and fund.

##### *2.5.20.2 Interest income*

Interest income is recognized as interest accrues (using the EIR method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

##### *2.5.20.3 Dividend income*

Dividend income are recognized when the Company's right to receive the payment is established.

Cost and administrative expenses are recognized in the statements of comprehensive income upon utilization of the service or during the date they are incurred.

#### 2.5.21 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of the monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statements of comprehensive income, within finance cost. All other foreign exchange gains and losses are presented in the statements of comprehensive income on a net basis within other income or other expense.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statements of financial position presented are translated at the closing rate at the date of that statements of financial position;

- Income and expense for each statements of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transactions dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognized in other comprehensive income.

#### 2.5.22 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- a. The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- b. The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- c. The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

##### *2.5.22.1 Company as lessee*

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

##### *2.5.22.1.1 Short-term leases and leases of low-value assets.*

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of supermarket shelves that are considered to be low value (e.g. ₱250,000 or below). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

##### *2.5.22.1.2 Right-of-use assets and lease liabilities*

The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying asset.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The company also assesses the right-of-use asset for impairment when such indicators exist.

At commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using interest rate implicit in the lease or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed asset, variable payments based on an index rate, amounts expected to be payable under a residual value guarantee and payments arising from options arising from options reasonably certain to be exercised.



Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment of modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit or loss if the right-of-use asset is already reduced to zero.

#### 2.5.23 Employees' Benefits

The Company recognizes a liability when an employee has provided service in exchange for employee benefits to be paid in the future and an expense when the entity consumes the economic benefits arising from service provided by an employee in exchange for employee benefits. Employee benefits are short-term employee benefits and post-employment benefits.

##### *2.5.23.1 Short-term employee benefits*

Short-term employee benefits are employee benefits that are expected to be settled wholly before twelve months after the end of the period in which the employees render the related service. The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences, profit sharing and bonuses, and non-monetary benefits. Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the statement of financial position date. These are included in salaries and wages account at an undiscounted amount that the Company expects to pay as a result of the unused entitlement.

##### *2.5.23.2 Post retirement benefits*

Payments to retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement comprising of actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognized immediately in the statement of financial position with a charge or credit to other comprehensive income in the period in which they occur. Remeasurement recorded in other comprehensive income is not recycled. However, the entity may transfer those amounts recognized in other comprehensive income within equity. Past service cost is recognized in profit or loss in the period of plan amendment. Net-interest is calculated by applying the discount rate to the net defined benefit liability or asset. Retirement costs are split into three categories:

- current service cost, past-service cost, gains and losses on curtailments and settlements;
- net-interest expense or income;
- remeasurement.

The Company presents the first two components of retirement costs in the line item 'employee retirement cost' in its statements of comprehensive income. Curtailments gains and losses (if any) are accounted for as past-service cost.

Remeasurement are recorded in other comprehensive income.

The retirement obligation recognized in the statements of financial position represents the actual deficit or surplus in the Company's retirement plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

#### 2.5.24 Income Taxes

##### *2.5.24.1 Current*

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates used and tax laws applied to compute the amount are those that are enacted or substantially enacted at the statements of financial position date.

##### *2.5.24.2 Deferred*

Deferred income tax is provided using the liability method on temporary differences at the statements financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences with certain exceptions, and carryforward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax and unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from excess MCIT and unused NOLCO can be utilized.

The carrying amounts of deferred tax assets are reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each statement of financial position date, and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recognized.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as of the statements of financial position date.

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

#### 2.5.25 Related Party Relationships and Transactions

##### *2.5.25.1 Related party relationship*

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

##### *2.5.25.2 Related party transactions*

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party regardless of whether a price is charged. Transactions with related parties are accounted for at terms similar to those offered to non-related entities in an economically comparable market.

#### 2.5.26 Events After the End of Reporting Period

Any post year-end event up to the date of approval of the Board of Directors of the financial statements that provides additional information about the Company's position at the statements of financial position date (adjusting event) is reflected in the financial statements. Any post year-end event that is not an adjusting event is disclosed in the notes to the financial statements, when material.

### 3. Significant Accounting Judgment and Estimates

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The preparation of the financial statements in accordance with PFRS requires the management to make judgments and estimates that affect the reported amounts reported in the financial statements and accompanying notes. The judgments and estimates used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the reporting date. Future events may occur which can cause the assumptions used in arriving at those judgments and estimates to change. The effects of any changes will be reflected in the financial statements of the Company as they become reasonably determinable.

#### 3.1 Judgments

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

##### 3.1.1 Classification of Financial Instruments

The Company exercises judgment in classifying a financial instrument, or its component parts, on initial recognition as either a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the statement of financial position. In addition, the Company classifies financial assets by evaluating, among others, whether the asset is quoted or not in an active market. Included in the evaluation on whether a financial asset is quoted in an active market is the determination on whether quoted prices are readily and regularly available, and whether those prices represent actual and regularly occurring market transactions on an arm's length basis.

##### 3.1.2 Determination of Fair Values of Financial Instruments

The Company carries certain financial assets and liabilities at fair value, which requires extensive use of accounting judgments and estimates. While significant components of fair value measurement were determined using verifiable objective evidence (i.e., foreign exchange rates, interest rates, volatility rates), the amount of changes in fair value would differ if the Company utilized different valuation methodologies and assumptions. Any changes in the fair value of these financial assets and liabilities would affect profit and loss and equity.

Where the fair values of certain financial assets and financial liabilities recorded in the statements of financial position cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable market data where possible, but where this is not feasible, estimates are used in establishing fair values. The judgments include considerations of liquidity and model inputs such as correlation and volatility for longer-dated derivatives. The fair values of the Company's derivative financial instruments are based from quotes obtained from counterparties.

The fair values of the Company's financial instruments are disclosed in Note 25.

##### 3.1.3 Determining Whether a Contract is, or Contains a Lease

The Company has entered into various lease agreements. The management considers whether a contract is, or contains, a lease. The management assesses whether the contract meets three key evaluations which are whether: 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 Company; the Company 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 Company has the right to direct the use of the identified asset throughout the period of use. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities.

### 3.2 Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at each reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities follow:

#### 3.2.1 Measurement of Expected Credit Loss (ECL) Allowance

The measurement of the expected credit loss allowance for financial assets measured at amortized cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

On that basis, the loss allowance as at December 31, 2024 was determined as follows:

	T to T+1	T+2 to T+12	T+12 to T+30	Beyond T+31	Total
<i>Receivables from customers and brokers</i>					
Receivable	P88,623,553	P82,118,700	P-	P186,249	P170,928,502
Default rate	0.0%	2.0%	0.0%	0.0%	
<b>ECL</b>	<b>P-</b>	<b>P1,642,374</b>	<b>P-</b>	<b>P-</b>	<b>P1,642,374</b>

	0 to 30 days	31 to 60 days	61 to 90 days	After 90 days	Total
<i>Other receivables</i>					
Advances	P33,150	P-	P-	P-	P33,150
Others	7,050	-	-	-	7,050
<b>Total</b>	<b>P40,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>P40,200</b>
Default rate	0.0%	0.0%	0.0%	0.0%	
<b>ECL</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>

On that basis, the loss allowance as at December 31, 2023 was determined as follows:

	T to T+1	T+2 to T+12	T+12 to T+30	Beyond T+31	Total
<i>Receivables from customers and brokers</i>					
Receivable	P71,913,581	P18,623,622	P332,209	P601,935	P91,471,347
Default rate	0.0%	2.0%	0.0%	0.0%	
<b>ECL</b>	<b>P-</b>	<b>P372,472</b>	<b>P-</b>	<b>P-</b>	<b>P372,472</b>

	0 to 30 days	31 to 60 days	61 to 90 days	After 90 days	Total
<i>Other receivables</i>					
Advances	P15,000	P-	P-	P-	P15,000
Others	6,580	-	-	-	6,580
<b>Total</b>	<b>P21,580</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>P21,580</b>
Default rate	0.0%	0.0%	0.0%	0.0%	
<b>ECL</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>	<b>P-</b>

#### 3.2.2 Estimated Useful Lives of Property and Equipment

The Company estimates the useful lives of its property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed at least annually and are updated if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned above. A reduction in the estimated useful lives of property and equipment would increase depreciation expense and decrease noncurrent assets.



As of December 31, 2024 and 2023 property and equipment, net of accumulated depreciation and amortization, amounted to ₱4,694,241 and ₱2,835,650, respectively (see Note 9).

### 3.2.3 Impairment of Nonfinancial Assets

The Company assesses the impairment of its nonfinancial assets (i.e., property and equipment and trading right) whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Company considers important which could trigger an impairment review include the following:

- significant or prolonged decline in the fair value of the asset;
- market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating the asset's value in use and decrease the asset's recoverable amount materially;
- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

The Company determines an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount.

As of December 31, 2024 and 2023 the Company has no impaired nonfinancial assets.

### 3.2.4 Present Value of Retirement Costs

The determination of employee retirement cost is dependent on the selection of certain assumptions used in calculating such amounts which obtain from an actuarial valuation report from a certified actuary. Those assumptions include, among others, discount rates, mortality rates and salary and benefits increase rates. Due to long term nature of these plans, such estimates are subject to significant uncertainty (Note 19).

The Company's retirement employee cost amounted to ₱923,260 and ₱82,054 for 2024 and 2023, respectively (Note 19).

### 3.2.5 Deferred Tax

Deferred income tax liabilities are recognized for all taxable temporary differences, including asset revaluations. Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular income tax, and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences and carry forward of unused tax credits from MCIT and unused NOLCO can be utilized. Deferred income tax, however, is not recognized on temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income or loss.

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

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#### 4. Financial Risk Management Objectives and Policies

The Company's activities expose it to financial risk specifically to liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company. The policies for managing specific risks are summarized below.

##### 4.1 Governance Framework

The Company has established a risk management function with clear terms of reference and with the responsibility for developing policies on market, credit, liquidity and operational risk. It also supports the effective implementation of policies.

The policies define the Company's identification of risk and its interpretation limit structure to ensure the appropriate quality and diversification of assets to the corporate goals and specify reporting requirements.

##### 4.2 Capital Management Framework

The Company's risk management function has developed and implemented certain minimum stress and scenario tests for identifying the risks to which the Company are exposed, quantifying their impact on the volatility of economic capital. The results of these tests, particularly, the anticipated impact on the realistic balance sheet and revenue account, are reported to the Company's risk management function. The risk management function then considers the aggregate impact of the overall capital requirement revealed by the stress testing to assess how much capital is needed to mitigate the risk of insolvency to a selected remote level.

##### 4.3 Regulatory Framework

The operation of the Company is also subject to the regulatory requirements of SEC. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions.

##### 4.4 Financial Risk

The Company's financial risk management policies seek to minimize potential adverse effects of financial risk such as credit risk, liquidity risk, interest rate risk and market risk to its financial assets and liabilities.

These risks arise from open positions in interest rate, foreign currency, listed equity securities and debt securities all of which are exposed to general investment environment and specific market movements. The Company faces these risks primarily due to the nature of its investments and liabilities.

##### 4.5 Counterparty Risk

Counterparty risk is the risk that the counterparty to a trade fails to make good of his delivery of securities sold, or payment for the shares bought.

Trading limits for each customer are set after assessment of the true risk and profile of the customers (i.e., financial capacity, reputation, and collateral) on top of risk management procedures. Settlement details are pre-matched with the customers or their custodian banks at least a day before settlement date. Receivable balances are also monitored regularly.

##### 4.6 Credit Risk

Credit risk is the risk that one party to a financial will fail to discharge an obligation and cause the other party to incur a financial loss.

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

In accordance with industry practice, client trades are normally settled three (3) business days after trade date. Should either the client or the counterparty fail to perform, the Company may be required to complete the transaction at prevailing market prices.

Clients settle their trade on a delivery versus payment scheme such that no shares are received or delivered without corresponding payment thus limiting credit risk within the standard T+3 settlement. Individual clients maintain their security positions with the Company in its scriptless form and are usually sufficient to cover debit balances.

The Company monitors concentration of credit risks on both individual and institutional counterparty basis and limits the risk through consideration of factors which includes the credit worthiness of the client, its financial strength, and the size of its positions or commitments.

The following table provides information regarding the maximum credit risk exposure of the Company as of December 31, 2024 and 2023:

	2024	2023
Cash and cash equivalents	<b>P128,481,557</b>	P166,260,866
Financial asset measured at fair value through profit or loss	<b>155,819,584</b>	131,956,566
Receivable from customers – net	<b>169,286,128</b>	83,970,325
Receivable from clearing house	<b>122,977,335</b>	–
Receivable from brokers	–	7,128,550
Other receivables	<b>40,200</b>	21,580
Other assets	<b>6,870,000</b>	6,870,000
Financial assets recognized in the statements of financial position	<b>P583,474,804</b>	P396,207,887

Excluded in cash and cash equivalents are cash on hand amounting to P10,000 for 2024 and 2023. Receivable from Government amounting to P9,223,498 and P8,077,687, other prepayments amounting to P2,122,936 and P1,845,942, and deposits amounting to P978,464 for years ending December 31, 2024 and 2023, respectively are also excluded from other assets as they are not exposed to any credit risk.

The table below shows the analysis of age of the receivables from customers, clearing house and brokers (gross of allowance for credit loss – receivable from customer cash account) as of December 31, 2024 and 2023:

2024				
Age	Neither past due nor impaired	Past due but not impaired	Past due and impaired	Total
T to T+1	<b>P88,623,553</b>	<b>P–</b>	<b>P–</b>	<b>P88,623,553</b>
T+2 to T+12	–	82,118,700	–	82,118,700
T+13 to T+30	–	–	–	–
Beyond T+31	–	186,249	–	186,249
	<b>P88,623,553</b>	<b>P82,304,949</b>	<b>P–</b>	<b>P170,928,502</b>

2023				
Age	Neither past due nor impaired	Past due but not impaired	Past due and impaired	Total
T to T+1	<b>P71,913,581</b>	<b>P–</b>	<b>P–</b>	<b>P71,913,581</b>
T+2 to T+12	–	18,623,622	–	18,623,622
T+13 to T+30	–	332,209	–	332,209
Beyond T+31	–	601,935	–	601,935
	<b>P71,913,581</b>	<b>P19,557,766</b>	<b>P–</b>	<b>P91,471,347</b>

The table below shows the analysis of age of interest receivables, advances to officers and employees and other receivables as of December 31, 2024 and 2023:

2024				
Age	Neither past due nor impaired	Past due but not impaired	Past due and impaired	Total
0 to 30 days	P40,200	P-	P-	P40,200

2023				
Age	Neither past due nor impaired	Past due but not impaired	Past due and impaired	Total
0 to 30 days	P21,580	P-	P-	P21,580

The Company did not have any significant concentration of credit risk with a single counterparty or group of counterparties and industry segments as of December 31, 2024 and 2023.

#### 4.7 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments.

The table below analyzes the financial assets and financial liabilities of the Company into their relevant maturity groups based on the remaining period at the statements of financial position date to their contractual maturities or expected repayment dates.

As of December 31, 2024	Within 1 Year	1 to 5 Years	Over 5 Years	Total
<b>Financial assets:</b>				
Cash and cash equivalents	P128,491,557	P-	P-	P128,491,557
Fair value through profit or loss	155,819,584	-	-	155,819,584
Receivable from customers	169,286,128	-	-	169,286,128
Receivable from clearing house	122,977,335	-	-	122,977,335
Other receivables	40,200	-	-	40,200
Other assets*	-	-	6,870,000	6,870,000
	P576,614,804	P-	P6,870,000	P583,484,804

\*Excluded in other assets are receivables from Government amounting to P9,223,498.

As of December 31, 2023	Within 1 Year	1 to 5 Years	Over 5 Years	Total
<b>Financial assets:</b>				
Cash and cash equivalents	P166,270,866	P-	P-	P166,270,866
Fair value through profit or loss	131,956,566	-	-	131,956,566
Receivable from customers	83,970,325	-	-	83,970,325
Receivable from brokers	7,128,550	-	-	7,128,550
Other receivables	21,580	-	-	21,580
Other assets*	-	-	6,870,000	6,870,000
	P389,347,887	P-	P6,870,000	P396,217,887

\*Excluded in other assets are receivables from Government amounting to P8,077,687.

As of December 31, 2024	Within 1 Year	1 to 5 Years	Over 5 Years	Total
<b>Financial liabilities:</b>				
Payable to customers	P293,667,323	P-	P-	P293,667,323
Payable to brokers	8,514	-	-	8,514
Accounts payable*	3,668,747	-	-	3,668,747
Lease liability	1,502,059	-	-	1,502,059
Subscription payable	-	-	-	-
	P298,846,643	P-	P-	P298,846,643

\*Excluded in other payables are payable to Government amounting to P2,489,006.



As of December 31, 2023	Within 1 Year	1 to 5 Years	Over 5 Years	Total
Financial liabilities:				
Payable to customers	P82,305,199	P–	P–	P82,305,199
Payable to brokers	5,015	–	–	5,015
Accounts payable*	595,033	–	–	595,033
Lease liability	1,496,528	–	–	1,496,528
	<b>P84,401,775</b>	<b>P–</b>	<b>P–</b>	<b>P84,401,775</b>

\*Excluded in other payables are payable to Government amounting to P3,645,819.

#### 4.8 Market Risk

Market risk is the risk of change in fair value of financial instruments from fluctuation in foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk), whether such change in price is caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

#### 4.9 Price Risk

The Company is exposed to equity securities price risk on its marketable securities classified as financial assets at fair value through profit or loss. Senior management is responsible for reviewing trading positions, exposures, profits and losses, and trading strategies.

The following table shows the information relating to the Company's exposure to price risk on its financial assets at fair value through profit or loss as of December 31, 2024 and 2023:

2024			
	Number of shares	Closing prices	Market value
Security Bank Corporation (SECB)	1,274,917	P87	P110,917,779
The Philippine Stock Exchange, Inc. (PSE)	240,000	164	39,360,000
Aboitiz Equity Ventures, Inc. (AEV)	90,300	34	3,101,805
Bank of the Philippine Islands (BPI)	20,000	122	2,440,000
			<b>P155,819,584</b>

2023			
	Number of shares	Closing prices	Market value
Security Bank Corporation (SECB)	1,274,917	P72	P91,156,566
The Philippine Stock Exchange, Inc. (PSE)	240,000	170	40,800,000
			<b>P131,956,566</b>

#### 4.10 Interest Rate Risk

This is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's cash and cash equivalents include short-term investments. These investments are made for varying periods of between one day and one month depending on the immediate cash requirements of the Company, and earn interest at the respective short-term investment rates.

The Company has no short-term investments that is subject to interest rate risk as of December 31, 2024 and December 31, 2023.

#### 4.11 Capital Management Policies

The primary objective of the Company's capital management policies is to support its business and maximize shareholder value in terms of returns on investments and increased stock value.

The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust or defer dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended December 31, 2024 and 2023.

The Company considers the following as capital:

	2024	2023
Share capital	<b>P105,000,000</b>	<b>P105,000,000</b>
Retained earnings	<b>180,913,478</b>	162,178,121
Remeasurement losses on defined benefit plan – net of tax	<b>(383,126)</b>	(5,394,774)
	<b>P285,530,352</b>	<b>P261,783,347</b>

## 5. Cash and Cash Equivalents

This account consists of:

	2024	2023
Cash on hand	<b>P10,000</b>	<b>P10,000</b>
Cash in bank	<b>68,481,557</b>	76,260,866
Short-term investment	<b>60,000,000</b>	90,000,000
Cash and cash equivalents	<b>P128,491,557</b>	<b>P166,270,866</b>

Cash in banks earns interest based on daily bank deposit rates. Short-term investments are made for varying periods of between one day and one month depending on the immediate cash requirements of the Company, and earn interest at the respective short-term investment rates.

In compliance with Securities Regulation Code (SRC) Rule 49.2 (Customer Protection and Custody Securities), the Company maintains a special reserve bank account included in cash and cash equivalents for the exclusive benefit of its customers amounting to P6,600,023 and P4,441,374 in 2024 and 2023, respectively. The Company's reserve requirement is determined weekly based on the SEC's prescribed computations.

Interest income earned in 2024 and 2023 amounted to P40,567 and P96,500, respectively.

## 6. Financial Asset at Fair Value Through Profit or Loss

This account consists of:

2024			
	Number of shares	Closing prices	Market value
Security Bank Corporation (SECB)	1,274,917	P87	P110,917,779
The Philippine Stock Exchange, Inc. (PSE)	240,000	164	39,360,000
Aboitiz Equity Ventures, Inc. (AEV)	90,300	34	3,101,805
Bank of the Philippine Islands (BPI)	20,000	122	2,440,000
			<b>P155,819,584</b>
2023			
	Number of shares	Closing prices	Market value
Security Bank Corporation (SECB)	1,274,917	P72	P91,156,566
The Philippine Stock Exchange, Inc. (PSE)	240,000	170	40,800,000
			<b>P131,956,566</b>

This account was revalued using the prevailing market prices as of the statements of financial position date by reference to the closing prices as quoted in the PSE as of December 31, 2024 and 2023. The Company recognized a net unrealized gain amounting to P18,084,090 and a net unrealized loss amounting to P16,881,213 in 2024 and 2023, respectively (Note 20). For tax purposes the unrealized gain/loss is not taxable/deductible until it is realized, that is, when the securities are eventually sold.

In 2024 and 2023, the Company sold portion of the securities resulting to recognition of realized loss amounting to P158,479 and P37,315, respectively (Note 20).

As of December 31, 2024 and 2023, Dividend income earned from these securities amounted to ₱6,230,737 and ₱6,230,805, respectively (Note 20).

## 7. Receivable from Customers and Other Receivables

This account consists of:

	2024	2023
Receivable from		
Customers – net	<b>₱169,286,128</b>	₱83,970,325
Clearing house	<b>122,977,335</b>	–
Brokers	–	7,128,550
Others	<b>40,200</b>	21,580
	<b>₱292,303,663</b>	<b>₱91,120,455</b>

Receivable from customers includes amounts due on cash transactions for equities purchased in the market. Securities owned by customers are held as collateral for amounts due from customers.

	2024		
	Money balance	Security valuation	
		Long	Short
With security value			
More than 250%	<b>₱98,791,044</b>	<b>₱42,106,197,391</b>	<b>₱–</b>
Between 200% and 250%	–	–	–
Between 150% and 200%	260,214	445,200	–
Between 100% and 150%	50,376,376	50,713,680.00	–
Less than 100%	21,500,868	21,299,560	–
Unsecured	–	–	–
Less allowance for credit loss – receivable from customers cash account (Note 3)	170,928,502 (1,642,374)	42,178,655,831 –	– –
	<b>₱169,286,128</b>	<b>₱42,178,655,831</b>	<b>₱–</b>

	2023		
	Money balance	Security valuation	
		Long	Short
With security value			
More than 250%	<b>₱52,904,128</b>	<b>₱28,337,943,331</b>	<b>₱–</b>
Between 200% and 250%	–	–	–
Between 150% and 200%	20,308,065	36,303,360	–
Between 100% and 150%	100,400	102,800	–
Less than 100%	9,135,935	9,081,640	–
Unsecured	1,894,268	–	–
Less allowance for credit loss – receivable from customers cash account (Note 3)	84,342,796 (372,472)	28,383,431,131 –	– –
	<b>₱83,970,324</b>	<b>₱28,383,431,131</b>	<b>₱–</b>

Portion of the receivables pertains to receivable from margin customers. Customers under these account have specific credit terms and are required to maintain the value of their collateral within a specific level. Once the value of the collateral falls below this level, customers may pay interest charges based on the prevailing market rates to be compounded monthly, as well as service charges, commission and other fees for the Company's execution of transactions to purchase and sell securities, put and call options, among others.

A reconciliation of the allowance for credit loss – receivable from customers cash account at the beginning and end of 2024 and 2023 is shown below:

	2024	2023
Balance at beginning of year	P372,472	P181
Recovery of allowance for credit losses	1,269,902	372,291
Balance at end of year	P1,642,374	P372,472

## 8. Prepayments and Other Current Assets

This account consists of:

	2024	2023
Prepaid income tax	P8,520,018	P7,959,343
Refundable deposit	978,464	978,464
Prepaid VAT	147,563	117,227
Deferred input VAT	–	1,117
Other prepayments	2,122,936	1,845,942
	P11,768,981	P10,902,093

Other prepayments represent paid subscriptions from different service providers to be amortized over the covered period.

## 9. Property and Equipment – net

This account consists of:

	December 31, 2023	Additions/ Depreciation	Disposals/ Adjustments	December 31, 2024
<b>Cost:</b>				
Transportation equipment	P8,103,589	P1,108,929	P–	P9,212,518
Office equipment	5,128,666	656,607	–	5,785,273
Furniture and fixtures	2,378,348	–	–	2,378,348
Leasehold improvements	3,002,561	–	–	3,002,561
Right-of-use asset	1,795,932	1,802,547	(1,795,932)	1,802,547
	20,409,096	3,568,083	(1,795,932)	22,181,247

### **Accumulated depreciation:**

Transportation equipment	5,702,289	543,846	–	6,246,135
Office equipment	4,768,072	791,465	–	5,559,537
Furniture and fixtures	2,378,348	–	–	2,378,348
Leasehold improvements	3,002,561	–	–	3,002,561
Right-of-use asset	1,722,176	374,181	(1,795,932)	300,425
	17,573,446	1,709,492	(1,795,932)	17,487,006
	P2,835,650			P4,694,241

	December 31, 2022	Additions/ Depreciation	Disposals/ Adjustments	December 31, 2023
<b>Cost:</b>				
Transportation equipment	P5,661,589	P2,442,000	P–	P8,103,589
Office equipment	4,304,295	824,371	–	5,128,666
Furniture and fixtures	2,378,348	–	–	2,378,348
Leasehold improvements	3,002,561	–	–	3,002,561
Right-of-use asset	1,809,917	1,795,932	(1,809,917)	1,795,932
	17,156,710	5,062,303	(1,809,917)	20,409,096

(forward)

Transportation equipment	5,369,897	332,392	—	5,702,289
Office equipment	4,155,899	612,173	—	4,768,072
Furniture and fixtures	2,364,843	13,505	—	2,378,348
Leasehold improvements	3,002,561	—	—	3,002,561
Right-of-use asset	1,724,507	1,807,586	(1,809,917)	1,722,176
	16,617,707	2,765,656	(1,809,917)	17,573,446
	<b>P539,003</b>			<b>P2,835,650</b>

The Company recognized right-of-use asset for leases of office space. The lease typically run for a period of one year. The lease contain an option to renew at the end of the lease term and is being subjected to reviews to reflect current market rentals. The renewal option provides operational flexibility in managing the leased asset portfolio and aligns the business needs of the Company. The amortization period of the depreciation of the right-of-use asset was based on the lease term of the leased asset (Note 14).

No items of property and equipment were mortgaged as securities for liabilities as of December 31, 2024 and 2023.

Management believes that there is no indication that an impairment has occurred on its property and equipment.

#### 10. Trading Right

On August 8, 2001, the SEC approved the PSE conversion plan from a non-stock corporation to a stock corporation. As a result of the conversion plan on January 2002, each member-broker received 50,000 common shares of the PSE at P1 par value and trading right, which gives continued access to the trading facilities of the PSE. The trading right shall be pledged in favor of PSE to guarantee the Company's faithful compliance of its obligations with the PSE.

The original cost of the PSE trading right of P2,100,000 was allocated between the PSE trading right and the 50,000 shares received from PSE on the basis of their respective fair market values as of the time of the conversion of PSE from a non-stock corporation to a stock corporation. The amount allocated to the 50,000 PSE shares was P1,050,000 and the remaining balance of the same amount was allocated to the trading right. The 50,000 PSE shares are included in financial asset measured at fair value though profit or loss.

In 2003, the Company amortized the exchange trading right using straight-line basis over its useful life of 20 years. Beginning January 1, 2005, the Company adopted PAS 38, which does not permit the amortization of trading right which has indefinite life. At end of December 31, 2005, trading right was carried at original cost of P1,050,000 less amortization of P105,000.

As of December 31, 2024 and 2023, the net carrying amount of trading right is P945,000.

This trading right is not impaired as of December 31, 2024 and 2023 considering that the Company is generating positive cashflows and has reported a positive net income in the prior years. Management projected that it will continue to generate positive cashflows from operations in the next five years.

# 11. Other Assets

This account consists of:

	2024	2023
Investment in stock	<b>P6,870,000</b>	P6,870,000
Other asset – CTGF	<b>555,917</b>	–
	<b>P7,425,917</b>	<b>P6,870,000</b>

Investment in stock pertains to the investments of the Company in golf clubs which are unquoted.

Other asset – CTGF refers to the refundable balance of the Company's contributions to the Clearing and Trade Guaranty Fund that is recognized as an asset in accordance to SCCP Memo No. 01-0718. These amendments, allow clearing members to receive refunds of their CTGF contributions upon cessation of business and/or termination of their membership with SCCP, provided all liabilities to SCCP at the time of termination are fully satisfied.

# 12. Payable to Customers

This account consists of:

	2024		
	Money balance	Security valuation	
		Long	Short
No money balances	P–	<b>P50,821,339,875</b>	P–
With money balances	<b>293,667,323</b>	<b>19,345,548,491</b>	<b>175,194,094</b>
	<b>P293,667,323</b>	<b>P70,166,888,366</b>	<b>P175,194,094</b>

	2023		
	Money balance	Security valuation	
		Long	Short
No money balances	P–	<b>P44,735,211,581</b>	P–
With money balances	<b>82,305,199</b>	<b>3,066,819,345</b>	<b>12,250,095</b>
	<b>P82,305,199</b>	<b>P47,802,030,926</b>	<b>P12,250,095</b>

# 13. Accounts Payable and Accrued Expenses

This account consists of:

	2024	2023
Government payables:		
VAT payable	<b>P530,895</b>	P1,438,601
Withholding tax payable on compensation	<b>341,818</b>	250,921
SSS, Philhealth and HDMF payable	<b>174,175</b>	154,447
Expanded withholding tax payable	<b>53,819</b>	34,612
Deferred output VAT payable	<b>26,331</b>	114,436
Accrued expenses:		
Stock transaction tax	<b>1,361,968</b>	1,652,802
SCCP fees	<b>492,272</b>	171,166
Stock exchange dues and fees	<b>175,638</b>	47,363
Professional and commission	<b>131,306</b>	109,351
Research fees	–	179,603
Other payables	<b>2,869,531</b>	87,550
	<b>P6,157,753</b>	<b>P4,240,852</b>



#### 14. Lease Liabilities

Lease liabilities are presented in the statement of financial position as follows:

	2024	2023
Current	<b>P1,502,059</b>	<b>P1,496,528</b>

The Company leases its office premises and several parking spaces from Lucy Properties, Inc. for a period of one (1) year from November 1, 2023 up to October 31, 2024, renewable upon mutual agreement with the lessor. The Company has refundable and security deposits amounting to P978,464 and are shown as part of other current assets in the statements of financial position.

In 2024, the lease was renewed for a one-year period from November 1, 2024 to October 1, 2025. The Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Company's incremental borrowing rate of 5.7674% and 6.5828% for the years December 31, 2024 and 2023, respectively.

The lease is reflected in the statements of financial position as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Company sales) are excluded from the initial measurement of the lease liability and asset.

The lease liabilities are secured by the related underlying asset. Future minimum lease payments at December 31, 2024 and 2023 are as follows:

<i>As of December 31, 2024</i>	Minimum lease payments due		Total
	Within one year	More than one year	
Lease payments	<b>P1,542,050</b>	<b>P–</b>	<b>P1,542,050</b>
Finance charges	(39,991)	–	(39,991)
Net present values	<b>P1,502,059</b>	<b>P–</b>	<b>P1,502,059</b>

<i>As of December 31, 2023</i>	Minimum lease payments due		Total
	Within one year	More than one year	
Lease payments	<b>P1,542,050</b>	<b>P–</b>	<b>P1,542,050</b>
Finance charges	(45,522)	–	(45,522)
Net present values	<b>P1,496,528</b>	<b>P–</b>	<b>P1,496,528</b>

Interest expense on the payment of lease liability amounted to P53,444 and P42,837 in 2024 and 2023, respectively (Note 20).

## 15. Income Taxes

### 15.1 Current Income Tax

The Company is subject to the Regular Corporate Income Tax (RCIT) or Minimum Corporate Income Tax (MCIT), whichever is higher.

#### 15.1.1 Regular Corporate Income Tax

The reconciliation of income tax expense computed at the statutory income tax rate of 25% for the year ended December 31, 2024 and 2023 to actual income tax expense as shown in the statements of comprehensive income are as follows:

	2024	2023
Accounting income before income tax	<b>P21,940,977</b>	<b>P1,249,081</b>
<i>Permanent differences:</i>		
Income subject to final tax	(6,230,737)	(6,230,805)
Interest income subject to final tax	(2,568,289)	(1,479,938)
Nondeductible representation expense	(327,875)	(281,372)
Nondeductible depreciation expense	8,400	60,617
<i>Temporary differences:</i>		
Unrealized loss (gain) on marketable securities	(18,084,090)	16,881,213
Actual rent expense	(1,850,460)	(1,850,460)
Bad debt provision	1,269,902	372,472
Retirement	(1,116,740)	(1,968,511)
Past service cost	(794,350)	(794,350)
Amortization of right-of-use assets	374,181	1,807,586
Nondeductible interest expense – PFRS 16	53,444	42,837
Net foreign exchange loss	(17,290)	(17,648)
Taxable net income	<b>(7,342,927)</b>	<b>7,790,722</b>
Regular corporate tax rate	25%	25%
Tax due	<b>P–</b>	<b>P1,947,680</b>

#### 15.1.2 Minimum Corporate Income Tax

Details of the MCIT for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Commission income	<b>P53,267,318</b>	<b>P83,159,026</b>
Deductible cost of services	(41,461,598)	(58,499,391)
Gross profit	11,805,720	24,659,635
Interest income on margin account	23,576	343,571
Other income	3,080,559	2,191,246
Unrealized foreign exchange gain in prior year	(15,180)	(2,468)
Taxable gross income	<b>P14,894,675</b>	<b>P27,191,984</b>
Minimum Corporate Tax Rate	2%	1.5%
Provision for current income tax	<b>297,894</b>	<b>407,879</b>

For the years ended, December 31, 2024 and 2023, the Company is subjected to the minimum corporate income tax and regular corporate income tax, respectively. Income tax payable of the Company as of December 31, 2024 and 2023 are as follows:

	2023	2022
Income tax due for the current year	<b>P297,894</b>	<b>P1,947,680</b>
Less: Creditable withholding taxes	8,817,912	9,907,023
	<b>(8,520,018)</b>	<b>(7,959,343)</b>

Any excess of the MCIT over the normal income tax is carried forward annually and credited against the normal income tax for the next three (3) succeeding taxable years.

Details of the Company's MCIT that can be credited against normal income tax due are as follows:

Year Incurred	MCIT	Expired	Applied	Balance	Expiry Year
2024	P297,894	P-	P-	P297,894	2027

The Company has NOLCO which can be carried forward as a deduction for the next three consecutive taxable years immediately following the year of such loss, under certain conditions, as provided under Section 34(D) of the Tax Code.

Year Incurred	NOLCO	Expired	Applied	Balance	Expiry Year
2024	P7,342,927	P-	P-	P7,342,927	2027

## 15.2 Deferred Income Tax

The provision for (benefit from) deferred income tax charged in the statements of comprehensive income comprises the following temporary differences:

	2024	2023
<i>Presented under Profit and Loss</i>		
Unrealized loss (gain) on held for trading securities	P4,521,023	(P4,220,303)
NOLCO	(1,835,732)	-
Payment to retirement fund	510,000	510,000
Actual rent expense paid	462,615	462,615
Bad debt recovery	(317,476)	(93,118)
MCIT	(297,894)	-
Amortization of right-of-use assets	(93,545)	(451,897)
Amortization of past service cost	(32,227)	178,074
Interest expense on lease liabilities	(13,361)	(10,709)
Prior year's foreign exchange loss deemed realized this year	3,795	617
Unrealized foreign exchange gain this year	528	3,795
Amounts credited to profit or loss	P2,907,726	(P3,620,926)

	2024	2023
<i>Presented under Other Comprehensive Income</i>		
Actuarial gain or loss	P6,682,198	P10,565
Effect of reduction of corporate tax rate due to CREATE Law	(1,670,550)	(2,641)
Amounts credited to OCI	P5,011,648	P7,924

Significant components of the Company's net deferred tax liabilities are as follows:

	2024	2023
Unrealized market gain on held for trading securities	P22,859,254	P18,338,231
Accrual of retirement expense	1,938,039	(11,696)
NOLCO	(1,835,732)	-
Actual rent expense paid	462,615	462,615
Allowance for credit losses	(410,640)	(93,164)
MCIT	(297,894)	-
Unamortized past service cost	(282,986)	(481,574)
Amortization of right-of-use assets	(93,536)	(451,897)
Interest expense on lease liabilities	(13,361)	(10,709)
Unrealized gain on foreign exchange	9,351	5,028
	P22,335,110	P17,756,834

## 16. Revenue

Set out below is the disaggregation of the Company's revenue with customers:

	2024	2023
Retail	<b>P20,518,117</b>	P30,135,533
Institutional	<b>32,749,201</b>	53,023,493
	<b>P53,267,318</b>	P83,159,026

The Company generates revenue through commissions earned from facilitating securities transactions for its clients. On April 16, 2024, the SEC issued Memorandum Circular No. 7, Series of 2024, which removed the minimum broker's commission requirement, granting brokers the flexibility to set their own commission rates for stock trading transactions. As a result, for the year ended December 31, 2024, the Company implemented commission rates ranging from 0.05% to 0.50%, compared to the fixed rate of 0.25% applied in 2023.

## 17. Cost of Services

This account consists of:

	Note	2024	2023
Salaries and wages		<b>P12,660,672</b>	P6,541,219
Subscription and periodicals		<b>9,257,724</b>	9,551,467
PDTC fees		<b>6,812,756</b>	6,831,919
Research fees		<b>4,662,976</b>	27,336,582
PSE fees		<b>3,489,283</b>	3,439,358
Commission expense		<b>941,403</b>	782,097
Employee retirement cost	19	<b>923,260</b>	82,054
SSS, Philhealth and HDMF contributions		<b>421,878</b>	319,994
Transfer fees		<b>274,581</b>	386,620
Employees' welfare		<b>105,975</b>	88,600
SCCP fees		<b>—</b>	387,185
		<b>P39,550,508</b>	P55,747,095

## 18. Administrative Expenses

This account consists of:

	Notes	2024	2023
Salaries and allowances		<b>P8,717,632</b>	P8,186,819.00
Communication, light and water		<b>2,084,932</b>	1,485,934
Depreciation	9	<b>1,709,492</b>	2,765,656
Professional fees		<b>1,516,714</b>	555,714
Rent		<b>1,243,115</b>	1,244,646
Fuel and oil		<b>903,245</b>	620,025
Representation and entertainment		<b>860,548</b>	1,112,962
Insurance		<b>688,702</b>	582,966
SSS, Philhealth, HDMF and other contributions		<b>681,269</b>	613,138
Office supplies		<b>512,282</b>	629,271
Taxes and licenses	27	<b>338,689</b>	392,894
Employees' welfare		<b>336,973</b>	240,239
Repairs and maintenance		<b>253,014</b>	141,592
(Forward)			

Bank charges	124,784	150,067
Transportation and travel	90,846	45,793
Training and seminars	16,259	2,071
Miscellaneous expense	204,873	319,966
	<b>P20,283,369</b>	<b>P19,089,753</b>

#### 19. Employee Retirement Costs

The Plan is non-contributory and of the defined benefit type which provides a retirement benefit ranging from fifty percent (50%) to one hundred fifty percent (150%) of Plan Salary for every year of credited service. The benefit is paid in a lump sum upon retirement or separation in accordance with the terms of the Plan.

The Retirement Plan Trustee, as appointed by the Company in the Trust Agreement executed between the Company and the duly appointed Retirement Plan Trustee, is responsible for the general administration of the Retirement Plan and the management of the Retirement Fund. The Retirement Plan Trustee may seek the advice of counsel and appoint an investment manager or managers to manage the Retirement Fund, an independent accountant to audit the Retirement Fund and an actuary to value the Retirement Fund.

There was no plan amendment, curtailment, or settlement recognized in the financial years ended December 31, 2024 and 2023.

There are no unusual or significant risks to which the Plan exposes the Company. However, in the event a benefit claim arises under the Retirement Plan and the Retirement Fund is not sufficient to pay the benefit, the unfunded portion of the claim shall immediately be due and payable from the Company to the Retirement Fund.

The most recent actuarial valuations of plan assets and the present value of defined benefit obligation were carried out at December 31, 2024 by Actuarial Exponents, Inc. The present value of the defined benefit obligation, and the related current service cost for 2024 were based on the actuarial report.

The principal assumptions used for the purpose of actuarial valuations were as follows:

	2024	2023
Discount rate	5.96%	7.41%
Salary increase rate	5.00%	8.00%

The valuation results were based on the employee data as of the valuation dates as provided by the Company. The discount rate assumption was based on the BVAL benchmark market yields on government bonds as of the valuation dates (or latest available) considering the average years of remaining working life of the employees as the estimated term of the benefit obligation.

Amounts recognized in profit or loss in respect to this defined benefit plan are as follows:

	2024	2023
Current service cost	<b>P919,794</b>	<b>P67,000</b>
Interest expense on defined benefit obligation	3,466	15,054
Components of defined benefit costs recorded in profit or loss	<b>P923,260</b>	<b>P82,054</b>

Amounts recognized in other comprehensive income in respect to this defined benefit plan are as follows:

	2024	2023
Remeasurement income on return on plan assets		
excluding interest income	<b>P32,378,723</b>	P10,565
Actuarial loss arising from experience	(27,705,138)	–
Actuarial gain arising from financial assumptions	2,008,613	–
Total remeasurement losses (gain) on defined benefit plan	<b>6,682,198</b>	10,565
Income tax effect	(1,670,550)	(2,641)
Components of defined benefit costs recorded in other comprehensive income	<b>P5,011,648</b>	P7,924

Remeasurement losses that are recorded in the statements of financial position include the following:

	2024	2023
Beginning of year	<b>(P5,394,774)</b>	(P5,402,698)
Total remeasurement (gain) loss for the year	<b>6,682,198</b>	10,565
Total accumulated other comprehensive gain	<b>1,287,424</b>	(5,392,133)
Income tax effect	(1,670,550)	(2,641)
	<b>(P383,126)</b>	(P5,394,774)

Under the net interest approach, service cost and net interest on the net defined benefit liability (asset) are both recognized in profit or loss, while remeasurements of the net defined benefit liability (asset) are recognized outside profit or loss in other comprehensive income.

The amount included in the statements of financial position arising from the entity's obligation in respect of its defined benefit plans is as follows:

	2024	2023
Fair value of plan assets, ending	<b>P33,744,973</b>	P–
Defined benefit obligation, ending	<b>(25,992,805)</b>	(46,770)
Net plan asset (liability)	<b>P7,752,168</b>	(P46,770)

Movements in the present value of the defined benefit obligation in the current year were as follows:

	2024	2023
Defined benefit obligation, beginning	<b>P46,770</b>	P2,015,281
Actuarial loss arising from experience	27,705,138	–
Actuarial gain arising from financial assumptions	(2,008,613)	(10,565)
Current service cost	919,794	67,000
Benefits paid from plan assets	(673,750)	–
Interest expense	3,466	15,054
Payment to the retirement benefit	–	(2,040,000)
Defined benefit obligation, ending	<b>P25,992,805</b>	P46,770

Movements in the present value of the plan assets in the current year were as follows:

	2024	2023
Fair value of plan assets, beginning	<b>P–</b>	P–
Remeasurement losses on return on plan assets		
excluding interest income	32,378,723	–
Contributions	2,040,000	–
Benefits paid from plan assets	(673,750)	–
Fair value of plan assets, ending	<b>P33,744,973</b>	P–



The major categories of plan assets at the end of the reporting period for each category, are as follows.

	2024	2023
Cash on hand, checks and other cash items	2.04%	0.19%
Investment in government securities	63.79%	96.15%
Investment in other securities and debt instruments	8.99%	0.22%
Equity investments	1.50%	0.22%
Loans and receivables	0.49%	0.07%
Other assets	23.19%	3.15%
	<b>100.00%</b>	<b>100.00%</b>

The Retirement Trust Fund assets are valued by the fund manager at fair value using the mark-to-market valuation. While no significant changes in asset allocation are expected in the next financial year, the Retirement Plan Trustee may make changes at any time.

The remeasurement gain on plan assets were ₱6,682,198 and ₱10,565 in December 31, 2024 and 2023, respectively.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on the reasonable possible changes in the assumptions occurring at the end of the reporting period.

Changes in interest rates	2024	2023
+ 100 basis points	<b>₱25,022,167</b>	(₱2,211,042)
- 100 basis points	<b>(25,022,167)</b>	2,211,042

## 20. Other Income (Expenses) – net

This account consists of:

	Notes	2024	2023
Net unrealized gain (loss)			
on held for trading securities	6	<b>₱18,084,090</b>	(₱16,881,213)
Dividend income	6	<b>6,230,737</b>	6,230,805
Interest income		<b>2,591,865</b>	1,823,509
Recovery of allowance for doubtful account		<b>(1,269,902)</b>	(372,472)
Loss on sale of financial asset	6	<b>(158,479)</b>	(37,315)
Interest expense from lease liability	14	<b>(53,444)</b>	(42,837)
Foreign exchange loss		<b>2,110</b>	15,180
Other income		<b>3,080,559</b>	2,191,246
		<b>₱28,507,536</b>	(₱7,073,097)

Other income refers to the fees that the Company charges against the customers for the fees to Philippine Depository and Trust Corp.

## 21. Earnings Per Share

Earnings per share is based on net income:

	2024	2023
a. Net income	<b>₱18,735,357</b>	₱2,922,327
b. Number of common shares outstanding	<b>1,050,000</b>	1,050,000
c. Basic and diluted earnings/(loss) per share (a/b)	<b>₱17.84</b>	₱2.78

## 22. Retained Earnings

### 22.1 Appropriated Retained Earnings

(1) SRC Rule 49.1 (B), "*Reserve Fund*", (1) requires that every broker dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to Appropriated Retained Earnings. Appropriation shall be 30%, 20%, and 10% of audited profit after tax for broker dealers with unimpaired paid up capital of ₱10 million to ₱30 million, ₱30 million to ₱50 million and above ₱50 million, respectively.

Unimpaired Paid-up Capital (in million peso)	Minimum percentage of profit after tax
Between 10 to 30	30%
Between 30 to 50	20%
More than 50	10%

(2) The amount appropriated shall not be available for payment of dividends.

(3) Where in any financial year the Broker Dealer's paid up capital is impaired, the Broker Dealer, is required to transfer from the Appropriated Retained Earnings to the capital account an amount equivalent to the impairment. Such amount so transferred out shall not be available for payment of dividends.

(4) Consistent with the general usage under SRC Rule 28.1 (E) (v), the term "Unimpaired Paid Up Capital" shall refer to the firm's total paid up capital less any deficiency in the retained earnings.

For this purpose, the term "Paid Up Capital" shall include the following:

- Capital contributions of partners or par value of stated value of common stock
- Payment made on subscribed common stock
- Par or stated value of preferred share
- Payment made on subscribed preferred share
- Common stock to be distributed (arising from stock dividend distribution)
- Additional paid in capital for both common and preferred stocks
- Donated capital

(5) A Broker Dealer may submit to the Commission for approval its own capital build up plan in lieu of the requirements of this provision.

(6) Notwithstanding the requirements of this section, the commission may prescribe a different capital build up for all broker dealers, specifically those incurring net losses during the period, which may include the programmed infusion of fresh capital.

In compliance with the above rule, the Company appropriated additional retained earnings amounting to ₱1,873,536 for the year 2024.

### 22.2 Unappropriated Retained Earnings

The unappropriated retained earnings amounted to ₱103,808,235 and ₱86,946,414 as of December 31, 2024 and 2023, respectively. This includes the accumulated unrealized (losses) gains arising from the fair valuation of financial assets at fair value through profit or loss of ₱3,395,879 and ₱10,167,188 in 2024 and 2023, respectively, net of 25% tax.

## 23. Risk Based Capital Adequacy

The primary objective of the Company's capital management is to increase shareholders value and maintain healthy capital ratios in order to support its business. The Company sets strategies in response to both changes in economic conditions in general and the industry in which the Company belongs and internal factors. No changes were made in the objectives, policies and processes during the years 2024

On December 30, 2003, the SEC passed the Amended Implementing Rules and Regulations (IRR) of the SRC effective February 28, 2004. Significant changes include among others, revisions on the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows: (a) to allow a net capital of ₱2.5 million or 2.5% of aggregate indebtedness, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities, (b) to allow SEC to set a different net capital requirement for those authorized to use the risk based capital adequacy model, and (c) to require unimpaired paid-up capital of ₱100 million for broker dealers, which are either first time registrant or those acquiring existing broker dealers firms and will participate in a registered clearing agency; ₱10 million plus surety bond for existing broker dealer not engaged in market making transactions; and ₱2.5 million for broker dealers dealing only in proprietary shares and not holding securities.

On November 11, 2004, the SEC approved Memorandum Circular No. 16 which provides the guidelines on the adoption in the Philippines of the Risk Based Capital Adequacy (RBCA) Framework for all registered brokers dealers in accordance with Securities Regulation Code (SRC). These guidelines cover the following risks: (a) position or market risk (b) credit risks such as counterparty, settlement, large exposure, and margin financing risks and (c) operational risk. Among others, the RBCA rules provide for specific guidelines on the treatment of new subordinated loan agreements and investment in PSE shares.

The Company's capital pertains to equity per books adjusted for deferred tax assets and assets not readily convertible into cash.

The RBCA ratio of the Company as of December 31, 2024 and 2023 are as follows:

	2024	2023
Equity eligible for net liquid capital	<b>₱288,350,677</b>	₱267,178,121
Less ineligible assets	<b>33,135,099</b>	22,260,727
<b>Net liquid capital (NLC)</b>	<b>₱255,215,578</b>	₱244,917,394
Operational risk	<b>₱22,555,066</b>	₱23,575,172
Position risk	<b>53,986,612</b>	46,188,567
Large exposure risk	<b>57,413,982</b>	27,686,892
<b>Total risk capital requirements (TRCR)</b>	<b>₱133,955,660</b>	₱97,450,632
<b>Aggregate indebtedness (AI)</b>	<b>₱297,818,108</b>	₱130,803,242
	<b>2024</b>	<b>2023</b>
5% of AI	<b>₱14,890,905</b>	₱6,540,162
Required NLC	<b>14,890,905</b>	6,540,162
Net risk based capital excess	<b>240,324,672</b>	238,377,232
Ratio of AI to NLC	<b>117%</b>	53%
RBCA ratio	<b>191%</b>	251%

As of December 31, 2024 and 2023, the Company is in compliance with the required RBCA ratio.

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

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

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

3. *Position risk requirement*. The amount necessary to accommodate a given level of position risk. Position risk is a risk to which a broker dealer is exposed to and which arises from securities held by it as a principal or in its propriety or dealer account.

4. *Large exposure risk requirement*. The additional amount required to accommodate a given level of large exposure to either a particular counterparty or a single equity. Large exposure risk is the risk of financial loss arising from a significant exposure to a single counterparty or in securities issued by a single issuer relative to liquid capital or to the total value of those securities on issue.

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

## 24. Related Party Disclosures

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: individuals owning, directly or indirectly, through one or more intermediaries, control, or are controlled by, or under common control with, the Company; associates; and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

The key management personnel of the Company are considered to be related parties.

Receivable from and payable to related parties are included as part of receivable from and payable to customer accounts. Related party receivable from and payable to customers are non-interest bearing and are fully secured by shares of stock and in the normal course of business are normally required to be settled in cash within 4 days from the transaction date (transaction date plus 3 days).

Statements of Financial Position	Terms and Conditions	Net additions	December 31, 2024	December 31, 2023
Stockholder				
Receivable from Customers	Secured by investment portfolio; payable in cash upon demand	P-	P-	P-
Payable to Customers		179,354	736,561	557,207

Commission income earned from related parties amounted to P348,155 and P202,268 as of December 31, 2024 and 2023, respectively.

#### 24.1 Compensation of Key Management Personnel

The key management personnel of the Company are considered to be related parties. Short-term employee benefits charged to operations amounted to ₱10,524,042 in 2024 and ₱4,879,600 in 2023.

There are no agreements between the Company and any of its directors and key officers providing for benefits upon termination of employment, except for such benefits to which they may be entitled under the Company's retirement plan.

### 25. Fair Value Measurement

The methods and assumptions used by the Company in estimating the fair value of the financial instruments are:

#### 25.1 Cash and Cash Equivalents

Carrying values approximate fair values at year-end due to the relative short-term maturities of these assets.

#### 25.2 Receivables

Carrying amounts approximate fair values due to the relative short-term maturities of these assets.

#### 25.3 Financial Asset at Fair Value through Profit or Loss

The fair values are based on quoted prices published in the market.

#### 25.4 Other Assets

The fair values approximate its cost since these are unquoted equity investments.

#### 25.5 Payables

Carrying amounts approximate fair values at year-end due to the short-term maturities of these obligations.

The following table summarizes the carrying amounts and estimated fair values of the Company's financial assets and liabilities as of December 31, 2024 and 2023:

	2024		2023	
	Carrying value	Estimated fair value	Carrying value	Estimated fair value
<b>Financial assets:</b>				
Cash and cash equivalents	₱128,491,557	₱128,491,557	₱166,270,866	₱166,270,866
Fair value through profit or loss	155,819,584	155,819,584	131,956,566	131,956,566
Receivable from customers	169,286,128	169,286,128	83,970,325	83,970,325
Receivable from clearing house	122,977,335	122,977,335	—	—
Receivable from brokers	—	—	7,128,550	7,128,550
Other receivables	40,200	40,200	21,580	21,580
Other assets	11,768,981	11,768,981	10,902,093	10,902,093
	<b>₱588,383,785</b>	<b>₱588,383,785</b>	<b>₱400,249,980</b>	<b>₱400,249,980</b>
	2024		2023	
	Carrying value	Estimated fair value	Carrying value	Estimated fair value
<b>Financial liabilities:</b>				
Payable to customers	₱293,667,323	₱293,667,323	₱82,305,199	₱82,305,199
Payable to clearing house	—	—	43,266,085	43,266,085
Payable to brokers	8,514	8,514	5,015	5,015
Accounts payable	3,668,747	3,668,747	595,033	595,033
Lease liabilities	1,502,059	1,502,059	1,496,528	1,496,528
	<b>₱298,846,643</b>	<b>₱298,846,643</b>	<b>₱127,667,860</b>	<b>₱127,667,860</b>

## 25.6 Fair Value Hierarchy

The Group uses the following hierarchy in determining and disclosing the fair value of financial instruments by valuation technique:

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

The following table shows the Company's financial instruments carried at fair value as of December 31, 2024 and 2023 based on Level 1, 2 and 3:

	2024			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets:</b>				
Financial assets at fair value through profit or loss:				
Cash and cash equivalents	P128,491,557	P-	P-	P128,491,557
Fair value through profit or loss	155,819,584	-	-	155,819,584
Financial assets at amortized cost:				
Receivable from customers	-	169,286,128		169,286,128
Receivable from clearing house	-	122,977,335	-	122,977,335
Receivable from brokers	-	903,200	-	903,200
Other receivables	-	40,200	-	40,200
Other assets	-	-	7,425,917	7,425,917
	<b>P284,311,141</b>	<b>P293,206,863</b>	<b>P7,425,917</b>	<b>P584,943,921</b>
<b>Financial Liabilities:</b>				
Financial liabilities at amortized cost:				
Payable to customers	P-	P293,667,323	P-	P293,667,323
Payable to brokers	-	8,514	-	8,514
Accounts payable	-	3,668,747	-	3,668,747
Lease liabilities	-	1,502,059	-	1,502,059
	<b>P-</b>	<b>P298,846,643</b>	<b>P-</b>	<b>P298,846,643</b>
	2023			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets:</b>				
Financial assets at fair value through profit or loss:				
Cash and cash equivalents	P166,270,866	P-	P-	P166,270,866
Fair value through profit or loss	131,956,566	-	-	131,956,566
Financial assets at amortized cost:				
Receivable from customers	-	83,970,325	-	83,970,325
Receivable from brokers	-	903,200	-	903,200
Other receivables	-	21,580	-	21,580
Other assets	-	-	6,870,000	6,870,000
	<b>P298,227,432</b>	<b>P84,895,105</b>	<b>P6,870,000</b>	<b>P389,992,537</b>

(Forward)



Financial Liabilities:

Financial liabilities at amortized cost:

Payable to customers	P-	P82,305,199	P-	P82,305,199
Payable to clearing house	-	43,266,085	-	43,266,085
Payable to brokers	-	5,015	-	5,015
Accounts payable	-	595,033	-	595,033
Lease liabilities	-	1,496,528	-	1,496,528
	P-	P127,667,860	P-	P127,667,860

26. Supplemental Notes to Statement of Cash Flows

	Lease Liabilities
<b>Balance at December 31, 2022</b>	<b>P1,508,219</b>
Changes of financing cash flows in 2023	
Payment of lease liability	(1,807,623)
Equity-related other changes in 2023	
Additional lease liability	1,795,932
<b>Total equity-related other changes</b>	<b>1,795,932</b>
<b>Balance at December 31, 2023</b>	<b>1,496,528</b>
Changes of financing cash flows in 2024	
Payment of lease liability	(1,797,016)
Equity-related other changes in 2024	
Additional lease liability	1,802,547
<b>Total equity-related other changes</b>	<b>1,502,059</b>
<b>Balance at December 31, 2024</b>	<b>P1,502,059</b>

27. Supplementary Information Required by the Bureau of Internal Revenue

In addition to the disclosures mandated under PFRS, and such other standards and/ or conventions as may be adopted, companies are required by the BIR to provide in the notes to the financial statements, certain supplementary information for the taxable year. The amounts relating to such information may not necessarily be the same with those amounts disclosed in the financial statements which were prepared in accordance with PFRS. The following is the tax information required for taxable year ended December 31, 2024.

I. Based on RR No. 15-2010

A. Value Added Tax (VAT)

	2024	
	Tax Base	Amount
Sales to privates	P56,643,277	P6,797,193
Sales to Government	489,623	58,755
<b>Total sales/ Output VAT</b>	<b>P57,132,900</b>	<b>P6,855,948</b>
Input VAT		
Beginning of the year		P117,227
Current year's domestic purchase of services		2,443,599
Input Tax on sales to Government closed to income		-
<b>Total allowable input taxes for the year</b>		<b>2,560,826</b>
5% Creditable VAT withheld on sales to Government		24,481
Claims for tax credit/ refund and other adjustments		(2,437,744)
<b>Balance at end of the year</b>		<b>P147,563</b>

	2023	
	Tax Base	Amount
Sales to privates	P82,951,478	P9,954,177
Sales to Government	2,417,919	290,150
Total sales/ Output VAT	P85,369,397	P10,244,327
Input VAT		
Beginning of the year		P350,814
Current year's domestic purchase of services		2,299,872
Input Tax on sales to Government closed to income		35,390
Total allowable input taxes for the year		2,686,075
5% Creditable VAT withheld on sales to Government		120,896
Claims for tax credit/ refund and other adjustments		(2,689,744)
Balance at end of the year		P117,227

#### B. Withholding Taxes

	2024	2023
Final withholding taxes	P3,675,623	P7,963,294
Expanded withholding taxes	571,573	537,281
Withholding taxes on compensation	3,200,151	1,539,093
	P7,447,347	P10,039,667

#### C. All Other Taxes (Local and National)

	2024	2023
Business permit	P189,428	P243,439
Residence certificate	10,500	10,500
Annual registration	500	500
Others	138,261	138,455
	P338,689	P392,894

#### D. Taxes on Importation

In calendar year 2024 and 2023, the Company has not imported goods for business use. No customs duties and tariff fees were accrued or paid during the year.

#### E. Excise Tax

The Company does not have excise tax paid in 2024 and 2023 since it does not have any transactions which are subject to excise tax.

#### F. Documentary Stamp Tax

The Company does not have documentary stamp tax in calendar year 2024 and 2023.

#### G. Tax Assessment

The Company has no pending final assessment under the administration of the BIR nor other tax cases under litigation and/or prosecution in courts outside the BIR.

### 28. Supplementary Information Required Under Revenue Regulations No. 34-2020

RR 34-2020 prescribes the guidelines and procedures on the submission of BIR Form No. 1709, transfer pricing documentation (TPD) and other supporting documents for related party transactions.

The Company is not required to prepare and submit TPD and other supporting documents as the Company did not meet the materiality thresholds under Section 3 of RR No. 34-2020.



**MENDOZA**

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**SUPPLEMENTAL STATEMENT  
OF INDEPENDENT AUDITOR**

The Board of Directors and Stockholders

**Asiasec Equities, Inc.**

8th Floor, Chatham House, 116 Valero corner,  
V.A. Rufino Street, Salcedo Village, Makati City

We have audited the financial statements of Asiasec Equities, Inc. for the year ended December 31, 2024 on which we have rendered the attached report dated February 14, 2025.

Our audits was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary schedules required by paragraph 7, Part II of Revised Securities Regulation Code (SRC) Rule 68 (Annex 68-J), Reconciliation of Retained Earnings Available for Dividend Declaration, and Schedule of Financial Soundness Indicators are the responsibility of the Company's management. These schedules are presented for purposes of complying with Revised SRC Rule 68 (2019), and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic financial statements taken as a whole.

For the Firm: **MENDOZA TUGANO & CO., CPAs**

  
**PAMELA GRACE S. TANGSO**  
Partner

CPA Certificate No. 118635

BOA accreditation No. 9682/P-003

Valid from May 08, 2024 to July 18, 2026

TIN 249-790-835

BIR Accreditation No. 08-008188-003-2024,

December 03, 2024, valid until December 02, 2027

PTR No. 10473024, January 6, 2025, Makati City

February 14, 2025

**SCHEDULE I**

**ASIASEC EQUITIES, INC.  
STATEMENT OF CHANGES IN LIABILITIES  
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS  
DECEMBER 31, 2024**

There are no liabilities subordinated to claims of general creditors.

**SCHEDULE II**

**ASIASEC EQUITIES, INC.**  
**COMPUTATION OF RISK BASED CAPITAL**  
**ADEQUACY REQUIREMENT/ RATIO PURSUANT TO**  
**SRC Rule 49.1-1**  
**DECEMBER 31, 2024**

<b>Assets</b>	<b>P609,201,111</b>
<b>Liabilities</b>	<b>320,850,434</b>
<b>Equity as per books</b>	<b>288,350,677</b>
<b>Adjustments to Equity per books</b>	
Add (Deduct):	
Allowance for market decline	—
Subordinated Liabilities	—
Unrealized Gain / ( Loss ) in proprietary accounts	—
Deferred Income Tax	—
Revaluation Reserves	—
Deposit for Future Stock Subscription (No application with SEC)	—
Minority Interest	—
<b>Total Adjustments to Equity per books</b>	<b>—</b>
<b>Equity Eligible For Net Liquid Capital</b>	<b>288,350,677</b>
<b>Contingencies and Guarantees</b>	
Deduct: Contingent Liability	—
Guarantees or indemnities	—
<b>Ineligible Assets</b>	
a. Trading Right and all Other Intangible Assets (net)	945,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	4,694,241
d. All Other Current Assets	10,830,717
e. Securities Not Readily Marketable	6,870,000
f. Negative Exposure (SCCP)	508,592
g. Notes Receivable (non-trade related)	—
h. Interest and Dividends Receivables outstanding for more than 30 days	—
i. Ineligible Insurance claims	—
j. Ineligible Deposits	—
k. Short Security Differences	—
l. Long Security Differences not resolved prior to sale	—
m. Other Assets including Equity Investment in PSE	9,286,549
<b>Total ineligible assets</b>	<b>33,135,099</b>

(Forward)

<b>Net Liquid Capital (NLC)</b>	<b>255,215,578</b>
<b>Less:</b>	
Operational Risk Reqt (Schedule ORR-1)	22,555,066
Position Risk Reqt (Schedule PRR-1)	53,986,612
Counterparty Risk (Schedule CRR-1 and detailed schedules)	—
<b>Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)</b>	
LERR to a single client (LERR-1)	23,519,228
LERR to a single debt (LERR-2)	—
LERR to a single issuer and group of companies (LERR-3)	33,894,754
<b>Total Risk Capital Requirement ( TRCR )</b>	<b>133,955,660</b>
<b>Net RBCA Margin (NLC-TRCR)</b>	<b>121,259,918</b>
<b>Liabilities</b>	<b>320,850,434</b>
<b>Add: Deposit for Future Stock Subscription (No application with SEC)</b>	<b>—</b>
<b>Less: Exclusions from Aggregate Indebtedness</b>	
Subordinated Liabilities	—
Loans secured by securities	—
Loans secured by fixed assets	—
Others	23,032,327
<b>Total adjustments to AI</b>	<b>(23,032,327)</b>
<b>Aggregate Indebtedness</b>	<b>297,818,108</b>
<b>5% of Aggregate Indebtedness</b>	<b>14,890,905</b>
<b>Required Net Liquid Capital (&gt; of 5% of AI or P5M)</b>	<b>14,890,905</b>
<b>Net Risk-based Capital Excess / ( Deficiency )</b>	<b>240,324,672</b>
<b>Ratio of AI to Net Liquid Capital</b>	<b>117%</b>
<b>RBCA Ratio (NLC / TRCR)</b>	<b>191%</b>



**SCHEDULE III**

**ASIASEC EQUITIES, INC.  
INFORMATION RELATING TO THE POSSESSION OR  
CONTROL REQUIREMENTS UNDER ANNEX F OF  
SRC Rule 49.2-1  
DECEMBER 31, 2024**

Customer's fully paid securities and excess margin securities not in the broker's or dealer's possession or control had been issued as of the report date but for which the required action was not taken by respondent within the frame specified under SRC 49.2-1:

Market valuations: NIL

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 49.2-1:

Market valuations: NIL

**SCHEDULE IV**

**ASIASEC EQUITIES, INC.**  
**COMPUTATION FOR DETERMINATION OF**  
**RESERVE REQUIREMENTS UNDER ANNEX G OF**  
**SRC Rule 49.2-1**  
**DECEMBER 31, 2024**

<i>Particulars</i>	<i>Credit</i>	<i>Debit</i>
1. Free credit balance and other credit balance in customers' security accounts	292,939,276.51	
2. Monies borrowed collateralized by the securities carried for the account of customers	-	
3. Monies payable against customers' securities loaned.	-	
4. Customers' securities failed to receive	-	
5. Customer 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.		289,141,533.28
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to deliver		-
12. Failed to deliver customers' securities not older than 30 calendar days.		-
13. Others		
<b>Total</b>	<b>292,939,276.51</b>	<b>289,141,533.28</b>

**ASIASEC EQUITIES, INC.**  
**RESERVE FORMULA WORKSHEET**  
**December 31, 2024**

<b>1 . Free Credit balances and Other Credit Balances in Customer Securities Accounts</b>	
Unadjusted trial balance amount	293,675,837.12
<b>A . Additions:</b>	
1. Bank Account Overdrafts/1	
2. Credit balances in customer omnibus accounts	
3. Any other customer credit balance not accounted for elsewhere (explain nature)	
Subtotal	-
<b>B . Deductions:</b>	
1. Credit Balances in the accounts of non customers such as general partners and principal officers	736,560.61
2. Credit balances in customers' cash accounts arising from the sale of a security not delivered if the securities are purchased by the broker-dealer for its own account and have not been resold	
Subtotal	736,560.61
Adjusted total line item #1	292,939,276.51
<b>2 . Monies Borrowed Collateralized by Securities carried for the Accounts of Customers</b>	
Unadjusted trial balance amount customer loan	
Unadjusted trial balance amount commingled loan/2	
Adjusted total line item #2	-
<b>3 . Monies Payable Against Securities Loaned</b>	
Unadjusted trial balance amount	
<b>A . Additions:</b>	
1. The amount by which the market value of customers securities loaned exceed the collateral value received from lending os such securities	
Adjusted total line item #3	-
<b>4 . Customer Securities Failed to Receive (as Determined by Allocation or Specific Identification)</b>	
Unadjusted Balance:	
<b>A . Additions:</b>	
1. The amount by which the market value by which fails to receive outstanding for more than 34 calendar days exceed their contract value/3	
2. Clearing Accounts with net credit balances attributable to customers transactions. (Clearing Corporations)	
3. Unsecured customer short positions which allocate to customer long positions/4	
4. Any other credit not accounted for elsewhere in the formula	
Subtotal	-
Adjusted total line item #4	-

<b>5 . Credit balances in Firm Accounts which are Attributable to Principal Sales to Customers/5</b>	
<b>6 . Market Value of Stock Dividends and Splits Outstanding Over 30 Calendar days / 5 / 6</b>	
<b>7 . Market Value of Short Security Count Differences over 30 calendar days old (not to be offset by long count differences)</b>	
<b>8 . Market Value of Short Securities and Credits (not to be offset by loans or debits) in all Suspense Accounts over 30 calendar days old</b>	
1. Credit Balances Only	
2. Security Positions Only / 5	
3. Security Positions with Related Balances / 5 / 7	
Adjusted total line item #8	-
<b>9 . Market Value of Securities in Transfer in Excess of 40 Calendar Days which have not been confirmed to be in transfer by the Transfer Agent of the issuer during 40 days</b>	
Aggregate Credit Items	292,939,276.51
<b>10 . Debit Balances in customers' cash and margin accounts excluding Unsecured Accounts and Accounts Doubtful of Collection</b>	
Unadjusted trial balance	170,928,501.87
<b>A . Additions:</b>	
1. Debit balance in customer omnibus accounts	
2. Any other customer debit balance not accounted for elsewhere (explain nature)	
others	
due clearing house	122,977,335.29
Subtotal	122,977,335.29
<b>B . Deductions:</b>	
1. Unsecured balances and accounts doubtful of collection	1,843,682.33
2. Debit balances in the accounts of non-customers such as general partners and principal officers	
3. Reduction of margin debits for undue concentration of collateral/8	
4. Deficits in customer-related omnibus accounts/9	
5. Debit Balances in accounts of household members and affiliated members/10	
6. Reduction if unduly concentrated margin account balances/11	
7. Reduction of debit balances of accounts jointly owned by customers and non-customers/12	
8. Reduction for partly secured cash accounts	
Subtotal	1,843,682.33
Subtotal of Adjusted Total Debits	292,062,154.83
Reduce Subtotal by 1%	1%
Adjusted total line item #10	289,141,533.28
<b>11 . Securities Borrowed to Effectuate Short Sales by Customers and Securities Borrowed to make delivery on Customers' Securities Failed to Deliver</b>	
<b>12 . Fails to Deliver of Customer Securities not older than 30 calendar days (as determined by Allocation or Specific Identification)</b>	

Unadjusted Balance	
<b>A . Additions</b>	
1. Clearing Accounts with net debit balances attributable to customer transactions (Clearing Corporations)	
2. Drafts receivable outstanding less than 30 calendar days related to customer transaction / 13	
Subtotal	-
<b>B . Deductions</b>	
1. Securities which are in the firm's physical possession and control and in excess of the broker-dealer's possession and control requirements for three business days past settlement.	
2. Others (explain nature)	
Subtotal	-
Adjusted line item # 12	-
Aggregate Debit items	289,141,533.28
<b>B . Determination of Requirements</b>	
Aggregate Credit Items	292,939,276.51
Aggregate Debit Items	289,141,533.28
Net Credit/(Debit)	3,797,743.23
Required Reserve (100% of Net Credit if making a weekly computation or 105% if monthly)	3,797,743.23

**C . Frequency of Computation**

☒ Weekly

☐ Monthly

Monthly, if:

☒ Aggregate Indebtedness: Net Capital Ratio < 800% 53%  
AND  
☐ Aggregate Customer Funds < P25 million 292,939,276.51

**D . Special Reserve Bank Account Balance**

Special Reserve Account balance Prior to Computation	61,600,023.00
Less: Deposit Required	3,797,743.23
Additional Deposit Required	-
Note: Deposit should be made no later than 10 a.m. on the second banking day following computation date.	

**SCHEDULE V**

**ASIASEC EQUITIES, INC.  
A REPORT DESCRIBING ANY MATERIAL INADEQUACY FOUND TO EXIST  
OR FOUND TO HAVE EXISTED SINCE THE DATE OF THE PREVIOUS AUDIT  
DECEMBER 31, 2024**

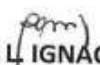
We noted no matters involving the Company's internal control structure and its operations that we consider to be material weakness.



REPUBLIC OF THE PHILIPPINES  
City of Makati

OATH


I, DENNIS L. IGNACIO of the above mentioned entity do solemnly swear that all matters set forth in this inventory of all securities and stock certificates for the year ended December 31, 2024 are true and correct to the best of my knowledge and belief.

  
DENNIS L. IGNACIO  
President

SUBSCRIBED AND SWORN to before me this MAR 11 day of 2025 affiant exhibiting to me his Social Security System ID No. 03-7795572-4.

Doc. No. 213  
Page No. 44  
Book No. 18  
Series of 2025



  
ATTY. RODRIGO S. DE REAL, JR.  
Notary Public - Makati until 12/31/2026  
Apt. No. M-045 B/P No. 486045 12/20/2024  
Roll No. 49763 MC E No. VII-016902  
PTR No. 2019184 01/02/2025 Manila  
6th Flr VGP Center Bldg 605 6772 Ayala Ave. Makati

**SCHEDULE VI**

**ASIASEC EQUITIES, INC.  
RESULTS OF QUARTERLY SECURITIES COUNT  
CONDUCTED PURSUANT TO SRC RULE 52.1-10 AS OF THE DATE OF THE  
POSITION STATEMENT IN THE ANNUAL AUDITED FINANCIAL  
STATEMENTS  
DECEMBER 31, 2024**

Please see attached.

**ASIASEC EQUITIES, INC.  
RESULTS OF INVENTORY COUNT  
AS OF DECEMBER 31, 2024**

	VAULT SHARES	IN TRANSFER SHARES	DUE FROM SHARES	DUE TO SHARES	OTHER shares	MV AS OF 31/12/2024
ASIA AMALGAMATED	5,000.00				-	1.61
ATOK BIG WEDGE CO.					63,133.00	5.44
ABACORE CAP. HLDGS					20,969,500.00	0.53
ASIABEST GRP INT'L					164,110.00	26.20
ABS-CBN CORP.					423,120.00	4.20
ABS-CBN POR					238,000.00	3.80
ABS-CBN PREF. SHRS	136,675.00				-	-
AYALA CORP	13.00	185.00	9,830.00		810,480.00	599.00
ACESITE HOTEL CORP					149,750.00	1.78
ACEN CORPORATION				10,000.00	77,107,610.00	4.00
ACEN PREF SERIES A					197,600.00	1,050.00
ACEN PREF SERIES B					22,890.00	1,056.00
AYALA CORP. PREF A					14,710.00	2,550.00
AYALA CORP PREF B3					12,500.00	2,052.00
AYALA CORP V. PREF	78,234.00				-	-
ALSONS CONS RES.					247,000.00	0.46
ABOITIZ VENTURES	660.00		82,200.00	217,200.00	443,220.00	34.35
ALLIANCE GLOBAL		200,000.00		136,400.00	5,694,300.00	8.00
ARTHALAND CORP.					547,303.00	0.37
ARTHALAND PREF. D					4,000.00	464.40
ARTHALAND PREF. F					2,000.00	502.50
ANCHOR LAND HLDGS.					48,000.00	4.80
AYALA LAND, INC.	293.00	1,000.00	47,000.00	50,000.00	13,638,292.00	26.20
AYALA LAND - PREF.	454,920.00				-	-
ALLDAY MARTS, INC.					32,780,000.00	0.13
AYALALAND LOGISTIC	3,500.00				52,099,285.00	1.70
ALTERNERGY HLDGS.					1,460,000.00	1.20
AGRINURTURE, INC.					426,242.00	0.51
A SORIANO CORP		54,702.00			336,450.00	13.68
ABOITIZ POWER CORP					5,735,900.00	37.70
APC GROUP, INC.					24,474,000.00	0.19
APOLLO GLOBAL CAP.					2,749,753,300.00	0.00
ANGLO PHIL. HLDGS.					2,723,740.00	0.45
ALTUS PROP VENTURE					40,760.00	8.32
APEX MINING CO INC		2,499.00			40,193,799.00	3.45
ABRA MINING & INDS					420,275,000.00	0.00
ARANETA PROP., INC.					1,378,390.00	0.51
AREIT, INC.			1,000.00		1,779,300.00	37.95
RASLAG CORP.					50,000.00	1.03
ATLAS CONS MNG	7,000.00	2,803.00			2,038,074.00	4.38
ASIAN TERMINAL INC	3,000.00				4,812,033.00	17.00
ATN HOLDINGS, INC.					14,230,000.00	0.52
ATN HLDGS, INC.-B					1,070,000.00	0.52
ASIA UNITED BANK					91,484.00	61.50
AXELUM RESOURCES					2,486,000.00	2.59
BALAI NI FRUITAS					581,000.00	0.36
BENGUET CORP					4,448,977.00	3.97
BENGUET CORP-B					1,285,536.00	3.84
BERJAYA PHILS.				5,000.00	630,600.00	9.80
BDO UNIBANK, INC.			45,910.00		914,846.00	144.00
BELLE CORPORATION					6,080,063.00	1.66
BOULEVARD HLDGS					7,590,000.00	0.07
BRIGHT KINDLE RES.					810,000.00	0.99
BLOOMBERRY RESORTS					22,502,300.00	4.56
BANK OF COMMERCE					1,470,200.00	6.75
BANK OF THE PHIL		582.00	42,790.00	8,090.00	447,979.00	122.00
A BROWN CO., INC.					5,706,658.00	0.56
A BROWN "A" PREF.					48,900.00	96.50
A BROWN "B" PREF.					100,000.00	104.00
A BROWN "C" PREF.					39,000.00	107.20
BASIC ENERGY CORP.					8,538,138.00	0.14
CHELSEA LOG.&INFRA					1,760,500.00	1.31
CALATA CORP.					242,448.00	-
CHINA BANKING CORP	55,211.00		11,000.00		5,110,977.00	63.50
CITYLAND DEV					1,201,944,698.00	0.68
CEBU AIR, INC.	1.00				1,550,249.00	28.25
CEBU AIR CONV PREF					137,283.00	34.50
CROWN EQUITIES INC					14,654,000.00	0.06
CENTRO ESCOLAR					16,000.00	13.80
CEMEX HLDGS PHILS.					8,338,593.00	1.78
CONCEPCION INDUS.					1,479,638.00	13.38
CEBU LANDMASTERS					1,871,392.00	2.65
C. LANDMASTERS A1					13,000.00	1,000.00
C. LANDMASTERS A2					11,000.00	1,068.00
CENTURY PAC. FOOD			14,400.00		49,000.00	41.95
CONVERGE SOLUTIONS					16,106,660.00	16.14
COAL ASIA HOLDINGS					525,000.00	0.16
COL FIN. GROUP					6,250.00	1.65
COSCO CAPITAL INC.		7,091,800.00			31,207,929.00	5.38
COSMOS BOTTLING					23,200.00	-
CENTURY PROPERTIES					26,925,755.00	0.42
CENTURY PEAK HLDGS		10,000,000.00	1,176,000.00		14,293,000.00	2.50
CITICORE RE ENERGY					101,000.00	3.21
CITICORE REIT CORP					4,345,000.00	3.05
CROWN ASIA CHEM.					2,000.00	1.71
CTS GLOBAL EQUITY				300,000.00	14,194,000.00	0.65
CYBER BAY CORP.					95,105,780.00	0.33
CYBER BAY-SA40%	20,000.00				-	-
DOUBLEDRAAGON CORP.					1,557,400.00	10.20

**ASIASEC EQUITIES, INC.  
RESULTS OF INVENTORY COUNT  
AS OF DECEMBER 31, 2024**

	VAULT SHARES	IN TRANSFER SHARES	DUE FROM SHARES	DUE TO SHARES	OTHER shares	MV AS OF 31/12/2024
DMP REIT, INC.					35,928,000.00	1.03
DOUBLED RAGON PREF.					315,860.00	97.20
DEL MONTE PACIFIC					31,300.00	3.99
DFNN, INC.					322,100.00	2.85
DOMINION HLDGS INC		7,590.00			135,590.00	1.60
DITO CME HOLDINGS			840,000.00		11,127,995.00	1.64
DIZON COPPER					645,741.00	2.09
DMCI HOLDINGS INC.				72,900.00	19,528,500.00	10.82
DM WENCESLAO ASSOC					160,000.00	5.52
PHILAB HLDGS CORP.					93,640.00	2.86
D&L INDUSTRIES INC					5,842,200.00	6.09
DISCOVERY WORLD					40,000.00	1.22
EASYPOLL COMM PHIL					17,005.00	2.21
EAST COAST VULCAN	3,473.00				13,328,095.00	0.31
EEI CORP.					763,396.00	3.60
EEI CORP. PREF. A					200.00	99.00
EEI CORP. PREF. B					137,360.00	98.45
IP E-GAME VENTURES					38,350,000.00	0.01
EXPORT BANK - A					809,688.00	-
EMPIRE EAST LAND	2,162.00				1,712,613.00	0.12
EMPERADOR, INC.					305,000.00	18.06
ENEX ENERGY CORP.					1,218,921.00	5.00
ETELECARE WARRANT	33.00				-	-
EURO-MED LAB. PHILS					332,000.00	0.82
EVER GOTESCO					5,915,000.00	0.26
EAST WEST BANK					4,384,384.00	9.85
FIRST ABACUS FIN.					90,000.00	0.65
SMC FOOD & BEV INC					23,287,450.00	52.75
FIGARO COFFEE GRP.					1,835,000.00	0.86
FILINVEST DEVT.					2,258,328.00	4.94
FERRONOUX HOLDINGS					129,000.00	5.35
FAR EASTERN UNIV					3,842.00	735.00
FILIPINO FUND INC.					23,351.00	6.42
FIRST GEN CORP.					4,854,880.00	16.12
FILINVEST REIT			629,000.00	70,023.00	9,981,400.00	2.95
F & J PRINCE HLDS					12,000.00	2.50
FILINVEST LAND INC				279,623.00	7,940,438.00	0.73
1st METRO EQUITY					30,596.00	195.60
GLOBAL FERRONICKEL					3,465,117.00	1.04
ALLIANCE FOODS INT	38,600.00	400.00			169,972,927.00	0.38
FIRST PHIL HLDG	81.00	2,073.00			819,258.00	59.60
FORUM PACIFIC, INC.					1,390,000.00	0.21
FORUM PACIFCSA50%	100,000.00				-	-
FRUITAS HLDGS. INC					1,292,000.00	0.64
FWBC HLDGS., INC.	15,241.00				-	-
GEOGRACE RESOURCES					13,945,007.00	0.19
GLOBAL EST RESORTS					15,313,658.00	0.61
GLOBE TELECOM, INC			500.30	4,200.00	70,973.00	2,184.00
GMA NETWORK INC.					4,379,070.00	5.11
GMA HOLDINGS - PDR					285,200.00	6.20
GOTESCO - Delisted					120,000.00	-
GOTESCO-B Delisted					10,129.00	-
GREENENERGY HLDG INC					750,831,874.00	0.19
GINERRA SAN MIGUEL					125,140.00	275.00
GT CAPITAL HLDGS.					13,652.00	658.00
GT CAPITAL PREF.	10,716.00				-	-
GT CAPITAL PREF. B					45,000.00	990.00
HOUSE OF INVST					4,000.00	3.26
HOLCIM PHILS. INC.	81.00				-	-
ALLHOME CORP.					36,025,300.00	0.94
8990 HOLDINGS INC.		327,000,000.00			287,766,415.00	9.95
HAUS TALK, INC.					379,000.00	1.05
GOLDEN MV HOLDINGS				15.00	79,821,522.00	2,250.00
J-REMIT, INC.					117,419.00	0.24
INTL CONTAINER			67,330.00	351,270.00	157,081.00	386.00
ITALPINAS DEV CORP					9,626,675.00	1.30
INT. M.ELECTRONICS					5,849,850.00	1.49
IMPERIAL RES INC	1,000.00				6,885.00	0.63
PHIL INFRADEV HLDG		2,000,000.00			2,847,500.00	0.32
IONICS, INC.					2,785,500.00	0.84
IPM HOLDINGS, INC.					345,400.00	3.00
IPEOPLE, INC.					120,199.00	6.79
ISLAND INFO TECH					50,310,000.00	0.14
JOLIBEE FOODS		4,686.00	5,690.00	2,555.00	111,902.00	269.00
JOLIBEE PREF. B					14,100.00	984.00
JG SUMMIT HLDS INC	1.00		45,900.00	3,000.00	14,540,038.00	20.55
THE KEEPER'S HLDGS.					1,066,582,950.00	2.23
KEPPEL PHILS. PROP					9,757.00	2.79
KEPPEL PHIL HLDS					4,415.00	16.46
CITY & LAND	8,411.00			28,000.00	71,621,058.00	0.68
LBC EXPRESS HLDGS.					3,071,000.00	11.82
LEPANTO CONS MNG					333,030,602.00	0.07
LEPANTO CONS MNG-B	24,532.00				187,944,570.00	0.07
LMG CORP.					20,060.00	0.22
LODESTAR INVEST.					4,415,000.00	0.28
PACIFIC ONLINE					93,000.00	2.65
LOPEZ HLDGS. CORP.	910.00				58,896,133.00	2.70
LORENZO SHIPPING					750.00	0.96
LT GROUP INC.				20,000.00	35,504,250.00	10.50
MANILA MNG CORP	196,000.00				4,246,273,808.00	0.00



ASIASEC EQUITIES, INC.  
RESULTS OF INVENTORY COUNT  
AS OF DECEMBER 31, 2024

	VAULT SHARES	IN TRANSFER SHARES	DUE FROM SHARES	DUE TO SHARES	OTHER shares	MV AS OF 31/12/2024
MANILA MNG CORP-B					1,926,003,019.00	0.00
MACROASIA CORP.				47,000.00	746,270.00	5.44
MACAY HLDGS., INC.					13,300.00	7.52
METRO ALLIANCE					33,300.00	0.83
METRO ALLIANCE - B					9,000.00	0.85
MARCVENTURES HLDGS					2,274,470.00	0.75
MAX'S GROUP INC.					360,000.00	2.67
MANILA BULLETIN					385,446.00	0.20
METROBANK			209,800.00	50,440.00	2,677,420.00	72.00
MARSTEEL - BSA50%	66,000,000.00				-	-
MEDCO HLDGS., INC.					320,000.00	0.12
MEDILINES DIS. INC					1,810,000.00	0.31
MEGAWORLD CORP.					36,517,972.00	2.05
MERALCO			7,450.00	821.00	78,083.00	488.00
MANULIFE FIN CORP.					1,276.00	1,997.00
MILLENNIUM GLOBAL					3,880,000.00	0.09
METRO GLOBAL HLDGS					80,318,776.00	1.00
MANILA JOCKEY					1,935,955.00	1.27
MJC INVESTMENTS					51,000.00	1.00
MERRYMART CONSUMER					4,021,900.00	0.60
MONDE NISSIN CORP.	381,060,000.00				43,294,400.00	8.60
METRO PACIFIC INV.					175,000.00	-
MRC ALLIED, INC.			1,150,000.00	2,142,000.00	78,014,900.00	0.84
MREIT, INC.					3,066,800.00	13.34
METRO RET. STORES					45,000.00	1.20
MANILA WATER CO.					8,090,000.00	27.00
MEGAWIDE CONST					3,637,500.00	2.43
MEGAWIDE PREF. 2B					16,360.00	95.00
MEGAWIDE PREF. 4					58,000.00	97.95
MEGAWIDE PREF. 5					16,830.00	100.80
NASIPIT LUMBER		700.00			-	-
NIHAO MINERAL RES.					1,606,053.30	0.39
NICKEL ASIA CORP.	5,387,378,393.00				429,780,940.00	3.49
NEGROS NAVIGATION					22,574.00	-
NOW CORPORATION					1,267,200.00	3.59
NATL. REINSURANCE					4,566,000.00	0.60
NEXGENESIS CORP.					45,000.00	7.00
OCEANAGOLD (PHILS)					600,500.00	14.02
OMICO CORPORATION	750.00				1,285,789.00	3.15
ORIENTAL PET & MIN					277,513,395.00	0.01
ORIENTAL PET-B					86,563,970.00	0.01
ORIENTAL PENINSULA					5,768,500.00	0.44
PHILODRILL CORP	15,000.00				228,854,852.00	0.01
PACIFICA HLDGS INC					165,700.00	1.60
PAL HLDGS., INC.					219,088.00	4.56
PAXYS, INC.					65,000.00	1.70
PHIL. BUS. BANK					3,622,402.00	9.70
PHIL BANK OF COMM					707,689.00	15.90
PETRON CORP.	5,009.00				40,096,486.00	2.43
PICOP RES., INC.	495.00				5,130,040.00	-
PETROENERGY RES.					832,857.00	3.60
PUREGOLD P. CLUB					3,698,650.00	50.80
PREMIERE HORIZON					10,935,070.00	0.17
PHILCOMSAT HOLDING					638,225.00	1.40
PHIL ESTATE CORP.					3,960,060.00	0.26
PHINMA CORPORATION					2,200.00	18.00
PH RESORTS GROUP					1,089,000.00	0.54
PHIL. INDEX FUND	2,706.00				-	-
SHAKEY'S PIZZA					107,400.00	7.99
DIGIPLUS INTERACT.			10,000.00		12,630,544.00	27.15
PANASONIC MFG PHIL					1,903.00	5.46
PRIMETOWN PROP					16,000.00	-
PHIL NATL BANK					3,721,783.00	27.70
PHIL NATL CONST					1,030.00	4.90
PHOENIX PETROLEUM					122,216.00	4.17
PHOENIX PET PREF3B					3,580.00	24.05
PHOENIX PET PREF. 4					33,085.00	177.90
PHILTOWN PROP. N/S	10,869.00				-	-
PHIL RACING CLUB					1,000.00	7.00
PREMIERE ISL. REIT					79,000.00	2.21
PETRON P. PREF. 3B					16,640.00	1,030.06
PETRON P. PREF. 4A					550.00	1,006.00
PETRON P. PREF. 4B					1,850.00	1,020.00
PETRON P. PREF. 4C					20,740.00	1,043.00
PETRON P. PREF. 4D					9,700.00	1,050.00
PETRON P. PREF. 4E					29,640.00	1,050.00
PRIME MEDIA HLDGS.					59,666.00	2.13
PRIMEX CORPORATION					12,167,500.00	1.81
PHIL SAVINGS BANK					101,114.00	58.20
PHIL. STK EXCHANGE					240,000.00	164.00
PT&T CORP.					936,000.00	0.33
PHILEX MNG CORP	225.00	3,780.00			24,585,871.00	2.79
PXP ENERGY CORP.	3.00	723.00			2,427,106.00	2.87
R C B C					2,798,871.00	24.85
ROXAS & CO., INC.					5,210.00	2.72
RL COMMERCIAL REIT			245,000.00		10,881,400.00	5.85
REPUBLIC GLASS					100,354.00	2.75
RFM CORPORATION					242,332.00	3.87
ROBINSONS LAND					1,864,696.00	13.30
PHIL REALTY & HLDG					954,944.00	0.13

**ASIASEC EQUITIES, INC.  
RESULTS OF INVENTORY COUNT  
AS OF DECEMBER 31, 2024**

	VAULT SHARES	IN TRANSFER SHARES	DUE FROM SHARES	DUE TO SHARES	OTHER shares	MV AS OF 31/12/2024
ROCKWELL LAND CORP					50,841,756.00	1.51
ROXAS HOLDINGS INC.					6,105,466.00	1.45
ROBINSONS HOLDINGS				20,000.00	6,400,210.00	36.00
SBS PHILS. CORP.					624.00	4.95
SEMIRARA MNG CORP.					1,300,980.00	34.90
SECURITY BANK CORP	31,625.00		7,700.00	4,350.00	118,434,962.00	87.00
SECURITY BANK PREF	2,508,110.00				-	-
SWIFT FOODS					4,924,705.00	0.06
SFI-PREFERRED					5,496.00	1.74
SOLID GROUP INC.					576,000.00	1.03
SYNERGY GRID & DEV				461,700.00	7,936,740.00	9.80
SHELL PILIPINAS					1,567,980.00	7.50
SHANG PROPERTIES					31,834.00	3.94
SUN LIFE FINANCIAL					1,413.00	3,400.00
STA. LUCIA LAND					404,300.00	2.90
SM INVESTMENT CORP			6,250.00	48,470.00	111,385.00	899.00
SAN MIGUEL CORP.	20,160.00	8,442.00	102,500.00	9,621.00	37,134,416.00	86.00
SMC PREFERRED 2F					1,878,510.00	73.30
SMC PREFERRED 2I					1,315,200.00	72.25
SMC PREFERRED 2-J					856,320.00	71.90
SMC PREFERRED 2K					253,620.00	70.00
SMC PREF SERIES 2L					1,715,180.00	77.65
SMC PREF SERIES 2N					1,187,500.00	79.70
SMC PREF SERIES 2O					615,340.00	82.30
SM PRIME HLDGS INC			230,600.00	6,843.00	19,218,715.00	25.15
SOUTH CHINA SEA					673,000.00	0.18
SPC POWER CORP.					78,200.00	9.01
SEAFRONT RES CORP					187,535.00	1.90
SP NEW ENERGY CORP					34,130,813.00	1.02
FFI - SPT	1,177,000.00				-	-
SSI GROUP, INC.					269,000.00	3.18
STI HOLDINGS					12,201,836.00	1.34
STENIEL MFG. CORP.					197,028.00	1.57
VISTAMALLS, INC.					6,200.00	1.62
SUNTRUST HOME DEV.					2,582,700.00	0.90
TKC METALS CORP.					2,062,000.00	0.36
TRANSPACIFIC GROUP					16,285,000.00	0.14
CIRTEK PREF B2-2D					66,600.00	46.10
CIRTEK HLDGS CORP.					4,559,426.00	1.32
PLDT, INC.	11.00		1,710.00		234,448.00	1,295.00
PLDT 10%-K	130.00				-	-
TOP FRONTIER HLDGS	1,998.00			712.00	12,163,981.00	63.10
HARBOR STAR SERV.					252,000.00	0.62
UNION BANK		90,942.00			1,414,046.00	36.00
UNI-HOLDINGS INC.					10.00	139.00
UNIOIL RES & HLDGS	5,000.00	1,425,000.00			-	-
UNITED PARAGON MNG					4,366,146,458.00	0.00
UPSON INTL CORP.					20,142,000.00	0.68
UNIV ROBINA CORP			35,900.00	201,040.00	2,683,179.00	79.00
UNIWIDE HLDGS, INC.	1,000,000.00				293,000.00	-
VANTAGE EQUITIES					413,674.00	0.79
VITARICH CORP.	500.00		120,600.00	216,300.00	44,453,001.00	0.54
VISTA LAND					273,635,246.00	1.48
VISTA LAND PREF 2B					50,000.00	102.50
VICTORIAS MILL CO.					176,430.00	2.05
VISTAREIT, INC.					1,683,000.00	1.59
VIVANT CORP.					50,312.00	16.06
PHILWEB CORP.					10,106,513.00	1.40
WELLEX INDS., INC.					3,314,300.00	0.21
WILCON DEPOT, INC.					785,000.00	14.30
WATERFRONT PHIL					1,175,000.00	0.36
XURPAS, INC.		200,000.00			6,708,000.00	0.16
ZEUS HOLDINGS, INC.					8,863,000.00	0.07
<b>TOTAL</b>	<b>5,840,383,732.00</b>	<b>348,097,997.00</b>	<b>5,159,460.00</b>	<b>4,767,473.00</b>	<b>21,060,113,591.00</b>	



**ASIASEC EQUITIES, INC.**  
**SCHEDULE SHOWING FINANCIAL SOUNDNESS INDICATORS IN TWO**  
**COMPARATIVE PERIODS UNDER SRC RULE 68, AS AMENDED**  
**DECEMBER 31, 2024 AND 2023**

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

<b>Ratio</b>	<b>Formula</b>	<b>2024</b>	<b>2023</b>
Current ratio	Total current assets	<b>P588,383,785</b>	<b>P400,249,980</b>
	Divided by total current liabilities	<b>301,335,649</b>	<b>131,313,679</b>
		<b>1.95</b>	<b>3.05</b>
Acid test ratio	Total quick assets	<b>P576,614,804</b>	<b>P389,347,887</b>
	Divided by total current liabilities	<b>301,335,649</b>	<b>131,313,679</b>
		<b>1.91</b>	<b>2.97</b>
Debt-to-equity ratio	Total liabilities	<b>P323,670,759</b>	<b>P149,117,283</b>
	Divided by total equity	<b>285,530,352</b>	<b>261,783,347</b>
		<b>1.13</b>	<b>0.57</b>
Asset-to-equity ratio	Total assets	<b>P609,201,111</b>	<b>P410,900,630</b>
	Divided by total equity	<b>285,530,352</b>	<b>261,783,347</b>
		<b>2.13</b>	<b>1.57</b>
Return on equity	Net income	<b>P18,735,357</b>	<b>P2,922,327</b>
	Divided by average equity	<b>272,191,725</b>	<b>271,327,261</b>
		<b>6.88%</b>	<b>1.08%</b>
Average equity is computed as follows:			
	Beginning equity	<b>P258,853,096</b>	<b>P283,801,426</b>
	Ending equity	<b>285,530,352</b>	<b>258,853,096</b>
	Total	<b>544,383,448</b>	<b>542,654,522</b>
	Divided by	<b>2</b>	<b>2</b>
	Average equity	<b>P272,191,725</b>	<b>P271,327,261</b>
Return on assets	Net income	<b>P18,735,357</b>	<b>P2,922,327</b>
	Divided by average assets	<b>510,050,871</b>	<b>464,220,419</b>
		<b>3.67%</b>	<b>0.63%</b>
Average assets is computed as follows:			
	Beginning assets	<b>P410,900,630</b>	<b>P517,540,208</b>
	Ending assets	<b>609,201,111</b>	<b>410,900,630</b>
	Total	<b>1,020,101,741</b>	<b>928,440,838</b>
	Divided by	<b>2</b>	<b>2</b>
	Average assets	<b>P510,050,871</b>	<b>P464,220,419</b>

(Forward)

Net profit margin	Net income	<b>P18,735,357</b>	<b>P2,922,327</b>
	Divided by net sales	<b>53,267,318</b>	<b>83,159,026</b>
		<b>35.17%</b>	<b>3.51%</b>
Other relevant ratios:			
RBCA ratio	Net liquid capital	<b>P255,215,578</b>	<b>P244,917,394</b>
	Total risk capital requirement	<b>133,955,660</b>	<b>97,450,632</b>
		<b>190.52%</b>	<b>251.32%</b>
Ratio of AI to NLC	Aggregate indebtedness	<b>P297,818,108</b>	<b>P130,803,242</b>
	Divided by net liquid capital	<b>255,215,578</b>	<b>244,917,394</b>
		<b>116.69%</b>	<b>53.41%</b>

**SCHEDULE VIII**

**Reconciliation of Retained Earnings Available for Dividend Declaration**  
**As of December 31, 2024**

**ASIASEC EQUITIES, INC.**

*8th Floor, Chatham House, 116 Valero corner V.A. Rufino Street, Salcedo Village, Makati City*

**Unappropriated Retained Earnings, beginning of reporting period** **P 86,946,414**

**Add: Category A: Items that are directly credited to Unappropriated Retained Earnings**

Reversal of RE appropriation/s	—	
Effect of restatements or prior-period adjustments	—	
Others: Cumulative fair value adjustments on financial assets measured at FVTPL	(73,352,931)	
Deferred tax liabilities excluding effect of remeasurements	15,955,935	
Retirement benefit obligation excluding remeasurements	(7,250,368)	(64,647,364)

**Less: Category B: Items that are directly debited to Unappropriated Retained Earnings**

Dividend declaration during the reporting period	—	
Retained Earnings appropriated during the reporting period	(1,873,536)	
Effect of restatements or prior-period adjustments	—	
Others (describe nature)	—	(1,873,535.70)

**Unappropriated Retained Earnings, as adjusted** **20,425,514**

*as adjusted to available for dividend distribution, beginning*

**Add/Less: Net Income (loss) for the current year** **18,735,357**

**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)	(13,563,068)	
Unrealized fair value gain of Investment Property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS:	—	
<b>Subtotal</b>		<b>(13,563,068)</b>

**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 (mark-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 the retained earnings as a result of certain transactions accounted for under the PFRS:	—	
<b>Sub-total</b>		<b>—</b>

**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 (mark-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 the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	—	
<b>Sub-total</b>		<b>—</b>

**Adjusted Net Income/Loss** **25,597,803**

**Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)**

Depreciation on revaluation increment (after tax)	—	
<b>Sub-total</b>		<b>—</b>

**Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP**

Amortization of the effect of the reporting relief	—
Total amount of reporting relief granted during the year	—
Others	—
Sub-total	—

**Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution**

Net movement of treasury shares (except for reacquisition of redeemable shares)	—
Net movement of deferred tax asset not considered in the reconciling items under 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 asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	2,907,726
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—
Others: Accretion of retirement obligation	923,260
Sub-total	3,830,986
<b>Total Retained Earnings, end of the reporting period available for dividend</b>	<b>P 29,428,789</b>

ASIASEC EQUITIES, INC.  
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE RELATED INFORMATION  
For the Years Ended December 31, 2024 and 2023

	2024	2023
Total Audit Fees	P110,000	P100,000
Non-audit services fee:		
Other assurance services	P-	P-
Tax services	-	-
All other services	-	-
Total Non-audit Fees	P-	P-
Total Audit and Non-audit Fees	P110,000	P100,000