



SECURITIES AND EXCHANGE COMMISSION

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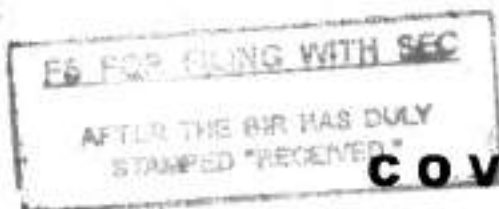
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COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

C H I N A B A N K S E C U R I T I E S C O R P O R A T
I O N (A W h o l l y O w n e d S u b s i d i a r y
o f C h i n a B a n k C a p i t a l C o r p o r a
t i o n)

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

2 8 T H F L O O R B D O E Q U I T A B L E T O W E R
8 7 5 1 P A S E O D E R O X A S , B E L - A I R ,
M A K A T I C I T Y

Form Type

A A F S

Department requiring the report

C F D

Secondary License Type, if Applicable

G S E D

COMPANY INFORMATION

Company's Email Address

cbsec@chinabank.ph

Company's Telephone Number

(632) 8885-5839

Mobile Number

N/A

No. of Stockholders

8

Annual Meeting (Month / Day)

3rd Thursday of June

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Annabelle G. Celso

Email Address

cbsec.customerservice@chinabank.ph

Telephone Number/s

(632) 8885-5839

Mobile Number

(63) 920 3581723

CONTACT PERSON'S ADDRESS

28F BDO Equitable Tower, 8751 Paseo de Roxas, Bel-Air, 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.

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 Notices of Deficiencies shall not excuse the corporation from liability for its deficiencies.



CHINA BANK SECURITIES CORPORATION
ANNUAL AUDITED FINANCIAL REPORT
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**REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
Metro Manila, Philippines**

COVER PAGE

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

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

IDENTIFICATION OF BROKER OR DEALER

Name of Broker/Dealer:	China Bank Securities Corporation
Address of Principal Place of Business:	28 th floor BDO Equitable Tower, 8751 Paseo de Roxas, Bel-Air, Makati City
Name and Phone Number of Person to Contact in Regard to this Report	
Name: Ms. Annabelle G. Celso	Tel. No. (02) 8885-5839

IDENTIFICATION OF ACCOUNTANT

Name of Independent Auditors whose opinion is contained in this report:

Name: SyCip Gorres Velayo & Co.	Tel. No.: 891-0307
BOA/PRC Reg. No. 0001	Fax No.: 819-0872
SEC Accreditation No. 0012-FR-5 (Group A)	

Address: 6760 Ayala Avenue, Makati City

Redgienald G. Radam

Partner

CPA Certificate No. 118866

Tax Identification No. 249-000-259

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-141-2024, April 26, 2024, valid until April 25, 2027

PTR No. 10465364, January 2, 2025, Makati City



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of China Bank Securities Corporation (the Company) is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 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 (BOD) is responsible for overseeing the Company's financial reporting process.

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

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



Ryan Martin L. Tapia
Chairman of the Board



Marisol M. Tecodoro
President and Chief Executive Officer



Annabelle G. Celso
Treasurer

Signed this 20th day of March 2025



INDEPENDENT AUDITOR'S REPORT

The Stockholders and Board of Directors and Stockholders
China Bank Securities Corporation
28th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Brgy. Bel-Air
Makati City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of China Bank Securities Corporation (the Company), which comprise the statements of financial condition as at December 31, 2024 and 2023, and the statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

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

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

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



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

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 24 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of China Bank Securities Corporation. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Redgimald G. Radam

Partner

CPA Certificate No. 118866

Tax Identification No. 249-000-259

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026.

BIR Accreditation No. 08-001998-141-2024, April 26, 2024, valid until April 25, 2027

PTR No. 10465364, January 2, 2025, Makati City

March 20, 2025



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENTS OF FINANCIAL CONDITION

	December 31					
	2024			2023		
	Money Balance	Security Valuation Long	Short	Money Balance	Security Valuation Long	Short
ASSETS						
Current Assets						
Cash and cash equivalents (Notes 6 and 22)	P138,768,408			P99,819,936		
Financial assets at fair value through profit or loss (Note 7)	104,626,904	P47,217,490		100,712,607	P47,273,736	
Financial assets at fair value through other comprehensive income (Note 7)				49,954,811		
Receivable from:						
Clearing house (Note 8)				479,964		
Customers (Note 9)				35,713,255	254,610,960	
Other receivables (Note 10)	129,600,412	444,405,726		216,274		
Prepayments and other current assets (Note 13)	1,041,437			8,103,794		
	8,019,965			295,000,641		
	372,057,126					
Noncurrent Assets						
Financial assets at fair value through other comprehensive income (Note 7)	65,282,998			24,041,671		
Property and equipment (Note 11)	13,678,288			11,898,069		
Intangible assets (Note 12)						
Exchange trading right	8,000,000			8,000,000		
Computer software	637,000			1,223,746		
Other noncurrent assets (Note 13)	3,964,646			3,736,817		
	91,562,932			48,900,303		
TOTAL ASSETS	P463,620,058			P343,900,944		
Securities in Transfer Office, Clearing House and Philippine Depository & Trust Corporation		P47,551,028,464			P47,329,250,270	

(Forward)



December 31

	2024		2023	
	Money Balance	Security Valuation Long Short	Money Balance	Security Valuation Long Short
LIABILITIES AND EQUITY				
Current Liabilities				
Payable to:				
Clearing house (Note 8)	P95,669,162		P4,278,607	
Customers (Note 14)	131,223,792	P47,059,405,248	97,661,991	P47,026,365,574
Accrued expenses and other current liabilities (Note 15)	8,038,523		10,318,801	
Deposit for future stock subscription (Notes 18 and 22)			100,000,000	
	234,931,477		212,259,399	
Noncurrent Liability				
Retirement liability (Note 16)	7,238,784		3,760,699	
TOTAL LIABILITIES	242,170,261		216,020,098	
EQUITY				
Share capital (Note 18)	262,700,000		162,700,000	
Retained earnings (deficit):				
Unappropriated (Note 18)	(39,949,374)		(34,862,854)	
Appropriated (Note 18)	480,737		480,737	
Reversal of gain (loss) on retirement liability	(2,135,613)		80,029	
Net unrealized gain (loss) on financial assets at fair value through other				
comprehensive income (Note 7)	282,997		(588,116)	
Other equity (Note 18)	71,050		71,050	
TOTAL EQUITY	221,449,797		127,880,846	
TOTAL LIABILITIES AND EQUITY	P463,620,058	P47,551,028,464	P343,900,944	P47,328,250,270

See accompanying Notes to Financial Statements.



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENTS OF INCOME

	Years Ended December 31	
	2024	2023
REVENUES		
Commissions (Note 19)	P30,548,576	P25,529,265
Research and marketing fees (Note 20)	17,555,301	18,209,698
Interest (Notes 6 and 7)	7,521,310	2,260,757
Dividend (Note 7)	595,782	930,714
Trading gains (losses) – net (Note 7)	(5,784,032)	561,588
Miscellaneous (Note 21)	1,946,537	1,438,608
	52,383,474	48,930,630
COST OF SERVICES		
Salaries and benefits	24,708,910	22,702,290
Stock exchange dues and fees	3,165,077	2,914,966
Central depository fees	2,650,583	2,015,164
Retirement expense (Note 16)	1,262,443	1,356,708
Amortization (Note 12)	586,746	720,094
	32,373,759	29,709,222
GROSS PROFIT	20,009,715	19,221,408
OPERATING EXPENSES		
Communication and supplies (Note 21)	4,901,540	2,718,167
Information technology (Note 21)	4,305,715	4,537,916
Entertainment, amusement and recreation (Note 21)	2,779,310	2,906,337
Transportation and travelling	1,649,992	1,283,260
Management and other professional fees (Note 21)	1,578,814	1,379,000
Depreciation expense (Note 11)	1,232,979	1,236,763
Security, messengerial and janitorial	1,135,038	1,017,237
Insurance	951,070	476,192
Condominium dues and fees	418,833	246,499
Taxes and licenses	246,178	388,327
Provision for (reversal from) credit and impairment losses (Note 9)	(4,512)	39,960,181
Miscellaneous (Note 21)	3,715,687	1,383,498
	22,910,644	57,533,377
LOSS BEFORE INCOME TAX	(2,900,929)	(38,311,969)
PROVISION FOR INCOME TAX (Note 17)	2,185,591	877,521
NET LOSS	(P5,086,520)	(P39,189,490)

See accompanying Notes to Financial Statements.



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2024	2023
NET LOSS	(P5,086,520)	(P39,189,490)
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Items that do not recycle to profit or loss in subsequent periods</i>		
Remeasurement loss on retirement liability (Note 16)	(2,215,642)	(569,512)
<i>Items that recycle to profit or loss in subsequent periods</i>		
Changes in unrealized gain on financial assets at fair value through other comprehensive income:		
Unrealized gains (losses) for the year (Note 7)	(306,671)	979,870
Realized loss taken to profit or loss (Note 7)	1,177,784	-
	(1,344,529)	410,358
TOTAL COMPREHENSIVE LOSS	(P6,431,049)	(P38,779,132)

See accompanying Notes to Financial Statements.



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENTS OF CHANGES IN EQUITY

	Capital stock (Note 18)	Retained earnings (deficit)		Remeasurement gain (loss) on retirement liability (Note 16)	Net unrealized gain (loss) on financial assets at fair value through other comprehensive income (Note 7)	Other equity (Note 18)	Total equity
		Unappropriated (Note 18)	Appropriated (Note 18)				
Balances at January 1, 2024	P162,700,000	(P34,862,854)	P480,737	P80,029	(P588,116)	P71,050	P127,880,846
Total comprehensive income (loss) for the year	—	(5,086,520)	—	(2,215,642)	871,113	—	(6,431,049)
Issuance of preferred shares	100,000,000	—	—	—	—	—	100,000,000
Balances at December 31, 2024	P262,700,000	(P39,949,374)	P480,737	(P2,135,613)	P282,997	P71,050	P221,449,797
Balances at January 1, 2023	P162,700,000	P4,326,636	P480,737	P649,541	(P1,567,986)	P71,050	P166,659,978
Total comprehensive income (loss) for the year	—	(39,189,400)	—	(569,512)	979,870	—	(38,779,132)
Balances at December 31, 2023	P162,700,000	(P34,862,854)	P480,737	P80,029	(P588,116)	P71,050	P127,880,846

See accompanying Note to Financial Statements



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	(P2,900,929)	(P38,311,969)
Adjustment for:		
Provision for (reversal from) credit and impairment losses (Notes 9 and 12)	(4,512)	39,960,181
Interest income (Notes 6 and 7)	(7,521,310)	(2,260,757)
Depreciation and amortization (Notes 11 and 12)	1,819,725	1,956,857
Retirement expense (Note 16)	1,262,443	1,356,708
Unrealized gain on financial assets at fair value through profit or loss (Note 7)	(1,688,329)	(662,161)
Unrealized foreign exchange losses (gains) (Note 21)	(440,811)	66,151
Operating income (loss) before changes in operating assets and liabilities	(9,473,723)	2,105,010
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Financial assets at fair value through profit or loss	(2,225,968)	(70,105,506)
Trade receivables	(93,402,681)	(21,391,622)
Prepayment and other assets	(453,900)	(3,735,529)
Other receivables	(530,269)	128,463
Increase (decrease) in:		
Trade payables	124,952,356	(315,210,500)
Accrued expenses and other liabilities	(2,280,278)	(1,649,220)
Net cash provided by (used in) operations	16,585,537	(409,858,904)
Interest received	6,811,013	2,259,757
Income taxes paid	(1,875,691)	(1,981,910)
Net cash provided by (used in) operating activities	21,520,859	(409,581,057)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Financial assets at fair value through other comprehensive income	(65,000,000)	(19,794,944)
Property and equipment (Note 11)	(3,014,198)	(881,126)
Proceeds from sale / maturity of:		
Financial assets at fair value through other comprehensive income	75,000,000	-
Property and equipment (Note 11)	1,000	250,000
Net cash provided by (used in) investing activities	6,986,802	(20,426,070)
CASH FLOWS FROM FINANCING ACTIVITIES		
Deposit for future stock subscription (Note 22)	-	100,000,000
Net cash provided by financing activities	-	100,000,000
EFFECT OF FOREIGN CURRENCY EXCHANGES	440,811	(66,151)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	28,948,472	(330,073,278)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	99,819,936	429,893,214
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 6)	P128,768,408	P99,819,936

See accompanying Notes to Financial Statements.



CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

China Bank Securities Corporation (the Company), formerly known as ATC Securities, Inc. was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) with SEC Reg. No. 83424 on December 31, 1978 to primarily engage in and carry on the business of dealing, purchasing or otherwise acquiring, owning, holding, managing, using or obtaining an interest, alone or in conjunction with any person natural or juridical, domestic or foreign, in all kinds of securities, including but not limited to, shares of stock, bonds, debentures, warrants, notes and other debts securities.

The Company is a wholly owned subsidiary of China Bank Capital Corporation (the Parent Company). The ultimate parent company is China Banking Corporation (CBC).

The Company's registered office, which is also its principal place of business, is located at 28th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Brgy. Bel-Air, Makati City.

2. Summary of Material Accounting Policy Information

Basis of Preparation

The accompanying financial statements have been prepared on a historical cost basis except for financial assets that are measured at Fair Value through Profit or Loss (FVTPL) and at Fair Value through Other Comprehensive Income (FVOCI). The financial statements are presented in Philippine peso (P), which is also the Company's functional and presentation currency. All amounts are rounded to the nearest peso, except when otherwise indicated.

Statement of Compliance

The financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs) as issued by the Financial and Sustainability Reporting Standards Council (FSRSC).

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amendments to PFRS which became effective as of January 1, 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Unless otherwise indicated, adoption of these new accounting standards did not have any significant impact on the financial statements of the Company:

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



Presentation of Financial Statements

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial condition only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously.

The Company assesses that it has currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of the business, event of default and event of insolvency or bankruptcy of the Company and all of the counterparties.

Income and expenses are not offset in the statement of income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Company.

Foreign Currency Translations – Transactions and Balances

Transactions in foreign currencies are translated to Philippine peso at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the Philippine peso at the exchange rate at that date.

Foreign exchange differentials arising from foreign currency transactions and translations of foreign currency-denominated assets and liabilities are recognized in the statement of income in the year in which the rates change.

Fair Value Measurement

For measurement and disclosure purposes, the Company determines the fair value of an asset or liability at initial measurement date or at each statement of financial condition date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

Cash and Cash Equivalents

For purposes of reporting cash flows, cash includes cash in bank and petty cash funds. Cash equivalents are convertible to known amounts of cash which have original maturities of three months or less from the date of placement and that are subject to an insignificant risk of changes in value.



Financial Instruments

Date of recognition

Financial instruments within the scope of PFRS 9 are recognized in the statement of financial condition when the Company becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on trade date. Securities transactions and related commission income and expenses are also recorded on trade date.

Initial recognition of financial instruments

All financial instruments are initially recognized at fair value. Except for financial instruments at FVTPL, initial measurement of financial instruments includes transaction costs.

Classification and initial recognition of financial instruments

The classification of financial assets at initial recognition depends on the contractual terms of the instruments and the business model for managing the instruments. Financial liabilities are classified as either at FVTPL or at amortized cost.

Contractual cash flows test

In order for a financial asset to be classified and measured at amortized cost or at FVOCI, 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.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrange are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the currency in which the financial assets is denominated, and the period for which the interest rate is set.

Business model assessment

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.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- the expected frequency, value and timing of sales are also important aspects of the Company's assessment



The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Subsequent measurement

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

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

Financial assets at amortized cost (debt instruments)

Debt financial assets are measured at amortized cost if both of the following conditions are met:

- The financial asset is held within the Company's business model whose objective to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Debt financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortized cost using the effective interest method less allowance for expected credit losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate (EIR). Any amortization is included in 'interest income' in the statement of comprehensive income. Gains and losses are recognized in the statement of comprehensive income when the asset is derecognized, modified or impaired, as well as through the amortization process.

The Company's financial assets at amortized cost includes 'cash', 'receivables from customers', 'receivables from clearing house', 'other receivables', and financial assets under 'Other assets'.

Financial assets at FVOCI (debt instruments)

After initial measurement, investment securities at FVOCI are subsequently measured at fair value. The unrealized gains and losses arising from the fair valuation of investment securities at FVOCI are excluded, net of tax as applicable, from the reported earnings and are included in the statement of comprehensive income as 'change in net unrealized gain (loss) on investment securities at FVOCI'.

Debt securities at FVOCI are those that meet both of the following conditions: (i) the asset is held within a business model whose objective is to hold the financial assets in order to both collect contractual cash flows and sell financial assets; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the outstanding principal amount.

The effective yield component of debt securities at FVOCI, as well as the impact of restatement on foreign currency-denominated debt securities at FVOCI, is reported in the statement of comprehensive income. Interest earned on holding debt securities at debt securities at FVOCI are reported as 'interest income' using the effective interest rate (EIR) method. When the debt securities at FVOCI are disposed of, the cumulative gain or loss previously recognized in OCI are reclassified as 'trading and securities gain (loss) - net' in the statement of income. The ECL arising from impairment of such investments are recognized in OCI with a corresponding charge to 'Miscellaneous' in the statement of income.



As of December 31, 2024 and 2023, the Company's financial assets at FVOCI include investments in government debt securities.

Financial assets at FVTPL

Debt financial assets that do not meet the amortized cost criteria, or that meet the criteria, but the Company has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL. FVTPL also includes investments in equity shares that are held for trading.

Financial assets at FVTPL are recorded in the statement of financial condition at fair value. Changes in fair value are recorded in 'trading gains (losses) - net' in the statement of income. Dividends earned are recognized in the statement of income as dividend according to the terms of the contract, or when the right of the payment has been established.

As of December 31, 2024 and 2023, the Company's financial assets at FVTPL include investments in listed equity shares and unit investment trust funds (UITFs).

Financial liabilities at amortized cost

Issued financial instruments or their components, which are not designated at FVTPL, are classified as liabilities under 'payable to clearing house', 'payable to customers', and 'accrued expenses and other liabilities', where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

Financial liabilities at amortized cost are initially recognized at the fair value of the consideration received less directly attributable transaction costs.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECL) for all debt financial asset except those classified as at FVTPL. The ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate which is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions. 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).



Assessment of Significant Increase in Credit Risk/Staging Assessment

For non-credit-impaired financial instruments:

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a SICR since initial recognition. The Company recognizes a 12-month ECL for Stage 1 financial instruments
- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Company recognizes a lifetime ECL for Stage 2 financial instruments.

For credit-impaired financial instruments:

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

For receivables from customers, the Company applies the simplified approach in calculating ECL since these receivables arise from transactions within the scope of PFRS 15 and do not contain significant financing component. Under the simplified approach, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Definition of default

Generally, the Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. Treasury exposures are considered in default upon occurrence of a credit event such as but not limited to bankruptcy of counterparty, restructuring, failure to pay on an agreed settlement date, or request for moratorium. For receivables from customers, the Company consider it in default when already more than 30 days past due.

Refer to Note 5 for the Company's ECL methodology.

Derecognition of Financial Instruments

Financial assets

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control over the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset.



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

Financial liability

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a 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 comprehensive income.

Property and Equipment

Property and equipment is carried at cost less accumulated depreciation and amortization, and any impairment in value.

The initial cost of property and equipment consists of its purchase price, including taxes and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the items of property and equipment have been put into operation, such as repairs and maintenance, are normally charged against operations in the year 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 an additional cost of the asset. When property and equipment is retired or otherwise disposed of, the cost and the related accumulated depreciation and amortization, and any impairment in value is removed from the accounts and any resulting gain or loss is charged against or credited to current operations.

Depreciation and amortization are computed using the straight-line method over the estimated useful life (EUL) of the respective assets. The EUL of property and equipment follows:

Condominium	50 years
Transportation equipment	5 years
Office furniture and equipment	3-5 years
Computer equipment	3-5 years
Leasehold improvements	5 years or the remaining lease term (whichever is shorter)

The useful life and the depreciation method are reviewed periodically to ensure that the period and the method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, an impairment loss is recognized in the statement of comprehensive income.

When the assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and any accumulated impairment are removed from the accounts and the resulting gain or loss is credited or charged against the current operations.



Intangible Assets

Exchange Trading Right

Exchange trading right is a result of the Philippine Stock Exchange (PSE) conversion plan, as discussed in Note 12, to preserve access of the Company to the trading facilities and continue transacting business in the PSE. Exchange trading right is carried at the amount allocated from the original cost of the exchange membership seat (after a corresponding allocation was made to the value of the PSE shares) less any allowance for impairment loss. The Company does not intend to sell the exchange trading right in the near future.

The exchange trading right is an intangible asset that is regarded as having an indefinite useful life as there is no foreseeable limit to the period over which this asset is expected to generate net cash inflows for the Company but is tested annually for any impairment in realizable value.

Computer Software

Costs related to software purchased by the Company for use in operations are amortized on a straight-line basis over the estimated life of three (3) to five (5) years.

Impairment of Nonfinancial Assets

This accounting policy applies to Company's property and equipment and intangible assets. At each statement of financial condition date, the Company assesses whether there is any indication that its property and equipment and computer software may be impaired. Exchange trading right is tested for impairment annually, irrespective of whether there is any indication of impairment.

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 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 exceeds its recoverable amount, the asset 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. An impairment loss is charged against operations in the period in which it arises.

Impairment assessment is made at each reporting date to determine 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 as applicable, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income. For property and equipment after such reversal, the depreciation 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.

Equity

Capital stock is measured at par value for all shares issued. Incremental costs incurred directly and attributable to the issuance of new common stocks are shown in equity as a deduction, net of tax, from proceeds. All other equity issuance costs are recognized as expense as incurred.



Retained earnings (deficit) represent accumulated earnings (losses) of the Company less dividends declared.

Deposits for Future Stock Subscriptions

Deposits for future stock subscriptions (DFFSS) represent funds received by the Company with a view to applying the same as payment for a future additional issuance of shares either from its authorized but unissued shares, from a proposed increase in authorized share capital, or as share premium. Upon application with the SEC, the amount will be credited to Share capital for the par value of the shares and Share premium for the amount in excess of the par value.

Based on SEC Bulletin No. 6, the Company shall classify deposit for future share subscription as equity if and only if, all of the following are present at the end of the reporting period:

- (a) The unissued authorized share capital is insufficient to cover the amount of shares indicated in the contract;
- (b) There is BOD's approval on the proposed increase in authorized share capital (for which a deposit was received);
- (c) There is stockholders' approval of said proposed increase; and
- (d) The application for the approval of the proposed increase has been presented for filing or has been filed with the SEC.

If the criteria above are not met, the deposits for future subscriptions will be presented as liabilities in the statement of financial position

Revenue Recognition

Revenue is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

For revenue stream covered by PFRS 15, the Company exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the five-step model to contracts with customers.

The following specific criteria must be met before revenue is recognized:

Commission

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

Research and marketing fees

Research and marketing fees are recognized upon completion of the services rendered.

Revenue outside of scope of PFRS 15

Interest

Interest income on cash in bank and interest-bearing placements/investments is recorded on a time proportion basis taking into account the effective yield of the asset.



Trading gains (losses) - net

Trading gains (losses) - net represent results arising from trading activities (including gains and losses from disposal of debt financial assets at FVOCI) and all gains and losses from changes in fair value of financial assets at FVTPL.

Dividend

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

Expense recognition

Expenses encompass losses as well as those expenses that arise in the course of the ordinary activities of the Company. Expenses are recognized when incurred. Revenue and expenses that relate to the same transactions or other event are recognized simultaneously. The majority of the expenses incurred by the Company such as stock exchange fees and central depository dues and fees, salaries and benefits and administrative expenses are recognized with regularity as the Company continues its operations.

Retirement Benefits

The Company is covered by a non-contributory defined benefit retirement plan. The Company determines retirement cost under the projected unit credit method. Under this method, the current service cost is the present value of retirement benefits payable in the future with respect to services rendered in the current period.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets and adjusted for any effect of limiting a net defined benefit asset to the asset ceiling, if any. The defined benefit obligation is calculated annually by an independent actuary. The present value of the defined benefit obligation is determined by discounting the estimated cash outflows using interest rates on government bonds that have terms to maturity approximating the terms of the related liability. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Defined benefit costs comprise the following:

- Service costs;
- Net interest on the net defined benefit liability or asset; and
- Remeasurements of net defined benefit liability or asset.

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

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

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



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

Share-based Payments (Stock Grants)

Employees of the Company receive remuneration in the form of share-based payments (stock grants), whereby employees render services as consideration for equity instruments (equity-settled transactions) of the Parent Company.

Income taxes

Income tax on profit or loss for the year comprises current and deferred taxes. Income tax is determined in accordance with the Philippine Tax Law. Provision for income tax is recognized in the statement of comprehensive income.

Current taxes

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

Deferred taxes

Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and the 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, carry forward of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), 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 the carry forward of unused tax credits from MCIT and NOLCO can be utilized.

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

The carrying amount of deferred tax assets is reviewed at each statement of financial condition 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 asset to be utilized. Unrecognized deferred tax assets are reassessed at each statement of financial condition date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at reporting date. Movements in deferred tax assets and liabilities arising from changes in tax rate are charged or credited to income for the year.

Current tax and deferred tax relating to items recognized directly in OCI are also recognized in the OCI and not in profit or loss.

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 deferred taxes related to the same taxable entity and the same taxation authority.



Consideration of uncertain tax position

IFRIC 23, *Uncertainty over Income Tax Treatments* requires the Company to consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Company concludes that the income tax position is not probable of being accepted, the effect of the uncertainty is reflected in the Company's accounting for income taxes.

Events after the Reporting Period

Post year-end events that provide additional information about the Company's position at the statement of financial condition date (adjusting events) are reflected in the Company's financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

Standards Issued but Not Yet Effective

There are new PFRSs, amendments, interpretation and annual improvements, to existing standards which are effective for annual periods subsequent to 2024. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the Company's financial statements:

Effective beginning on or after January 1, 2025

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

Deferred Effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contributions of Assets between an Investor and its Associate or Joint Venture*

3. Significant Estimates and Judgments

The preparation of the financial statements in compliance with PFRS requires the Company to make judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses, and disclosure of contingent assets and contingent liabilities at reporting date. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgment

Offsetting of financial assets and liabilities

The Company considers its compliance with the offsetting criteria as a significant judgment in presenting financial assets and liabilities, particularly the receivables from and payable to customers and clearing house, in its statement of financial condition. In making such assessment, the Company determines at each financial asset and liability the existence of an enforceable legal right to offset and if there is an intention to settle on a net basis and to realize the assets and settle the liabilities simultaneously.



Estimates and Assumptions

a. Impairment of exchange trading right

The Company conducts an annual review for any impairment in value of exchange trading right. The factors that the Company considers important which could trigger an impairment review on its exchange trading right include the following:

- 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.

Exchange trading right is written down for impairment where the carrying amount of the exchange trading right exceeds its recoverable value. The recoverable amount is based on its fair value less costs of disposal.

In 2024 and 2023, the Company recognized nil impairment on the exchange trading right. Refer to Note 12 for the carrying value of exchange trading right.

b. Accrued retirement obligation and retirement expense

The Company's accrued retirement obligation and annual retirement expense are determined using the actuarial valuation. The actuarial valuation is dependent on certain assumptions, which include, among others, discount rate, turnover rate, future salary increase rate and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, the Company's retirement obligation and related costs are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The discount rate is determined using the market yields on Philippine government bonds with terms consistent with the expected employee benefit payouts as of the reporting date. Turnover rate pertains to the percentage of the Company's employees who leave over the total number of employees. Future salary increases are based on expected future inflation rates, seniority, promotion and other market factors. Mortality rate is based on publicly available mortality tables for the Philippines and is modified accordingly with estimates of mortality improvements.

The carrying amount of the retirement liability and the details of the actuarial assumptions are disclosed in Note 16.

c. Recognition of deferred tax assets

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

As of December 31, 2024 and 2023, the Company assessed that it is not probable that the Company can utilize in full the tax benefits in the foreseeable future. Accordingly, the Company recognized deferred tax assets to the extent of the deferred tax liabilities and did not recognize deferred tax assets on certain deductible temporary differences.

The Company's recognized and unrecognized deferred tax assets are disclosed in Note 17.



4. Fair Value Measurement

As of December 31, 2024 and 2023, the carrying values of the Company's financial assets and liabilities as reflected in the statements of financial condition and related notes approximate their respective fair values.

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

Cash and cash equivalents, Trade receivables and Other receivables - The carrying amounts approximate their fair values due to the relatively short-term nature of these assets.

Financial assets at FVTPL - Fair values of listed equity shares are determined based on quoted prices in the PSE. Fair values of UITFs are determined based on net asset value per unit (NAVPu) as of valuation date.

Financial assets at FVOCI - Fair values are determined based on quoted market prices, i.e., PH BVAL reference rates published by the Philippine Dealing and Exchange Corporation (PDEX).

Payable to customers and clearing house and accrued expenses and other liabilities - The carrying amounts approximate their fair values due to either their demand nature or the relatively short-term maturities of these liabilities.

Fair Value Hierarchy

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of nature, characteristics and fair value hierarchy.



The following tables summarize the carrying amounts and fair values of the Company's financial instruments carried at fair value, analyzed based on the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

2024					
	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
<i>Assets measured at fair value:</i>					
Financial assets					
Financial assets at FVPL					
Quoted equity securities	P47,217,490	P47,217,490	P-	P-	P47,217,490
Unit investment trust funds	57,409,414	-	57,409,414	-	57,409,414
Financial assets at FVOCI	65,282,998	65,282,998	-	-	65,282,998
	P169,909,902	P112,500,488	P57,409,414	P-	P169,909,902
2023					
	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
<i>Assets measured at fair value:</i>					
Financial assets					
Financial assets at FVPL					
Quoted equity securities	P47,273,736	P47,273,736	P-	P-	P47,273,736
Unit investment trust funds	53,438,871	-	53,438,871	-	53,438,871
Financial assets at FVOCI	73,996,482	73,996,482	-	-	73,996,482
	P174,709,089	P121,270,218	P53,438,871	P-	P174,709,089

There were no transfers between the three levels in the fair value hierarchy in 2024 and 2023.

5. Financial Risk Management Objectives and Policies

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated with its management, in close coordination with the BOD, and focuses on actively securing the Company's short-to-medium term cash flows by minimizing the exposure to financial markets.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's business activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to are described below.

The Company has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk



Credit Risk

Credit risk is the non-recovery of credit exposures (on-and-off balance sheet exposures). Managing credit risk also involves monitoring of migration risk, concentration risk, country risk and settlement risk. Credit risk to a broker dealer normally arises from unsettled customer and principal trades, loans and other dues, free deliveries, securities lending and borrowing, margin lending and underwriting arrangements.

Maximum exposure to credit risk before collateral held or credit enhancements

The Company trades only with recognized and creditworthy third parties. It is the Company's policy that all customers are subjected to credit verification procedures. In accordance with Risk Based Capital Adequacy (RBCA) requirement, a limit is imposed to avoid large exposures on single client or counterparty, single debt issue and single equity relative to particular issuer company and its group of companies. As a result, the maximum credit risk is the carrying amount in the statements of financial condition for each class of financial assets except for 'Receivable from customers' wherein the Company holds collateral as security as discussed below.

Collateral and other credit enhancements

The securities purchased by the customers serve as the collateral. Management monitors the market value of collateral and the exposures on a daily basis.

In addition, the Securities Clearing Corporation of the Philippines (SCCP) requires collateral on negative exposure, which is computed based on outstanding unsettled trades calculated at current market price and compared with the original value of the trades calculated at their original contracted price. Negative exposure has to be covered by collateral such as cash, PSE index securities and PSE shares.

The effects of offsetting arrangements (including impact of collateral) are disclosed in the succeeding tables.

2024					
Financial assets recognized at end of reporting period by type	Gross carrying amount (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial condition	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria	Net exposure
Financial assets					
Receivable from:					
Customers	P129,600,412	P-	P129,600,412	P104,539,779	P25,060,633
Clearing House	48,704,447	48,704,447	-	-	-
Financial liabilities					
Payable to:					
Customers	131,223,792	-	131,223,792	31,581,430	99,642,362
Clearing House	144,373,609	48,704,447	95,669,162	-	95,669,162
2023					
Financial assets recognized at end of reporting period by type	Gross carrying amount (before offsetting)	Gross amounts offset in accordance with the offsetting criteria	Net amount presented in statements of financial condition	Effect of remaining rights of set-off (including rights to set off financial collateral) that do not meet PAS 32 offsetting criteria	Net exposure
Financial assets					
Receivable from:					
Customers	P35,713,255	P-	P35,713,255	P34,605,434	P1,107,821
Clearing House	34,018,251	33,538,287	479,964	479,964	-
Financial liabilities					
Payable to:					
Customers	97,661,991	-	97,661,991	22,132,565	75,529,426
Clearing House	37,816,804	33,538,287	4,278,607	479,964	3,798,643

The Company does not have financial guarantees, loan commitments and other credit-related liabilities.



Risk concentrations

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Company's credit exposure by geographic location is concentrated in the Philippines.

The Company is also subject to daily calculation of Counterparty Risk Requirement (CRR) by the SEC. The Company calculates its CRR for any of the following counterparty exposures:

- Unsettled customer trades (arising from customer-to-broker agency relationship);
- Unsettled principal trades (arising from broker-to-broker or broker-to-exchange/clearing agency relationship);
- Loans and other dues;
- Securities lending and borrowing; and
- Other exposures as may be determined by the PSE or SEC.

Risk concentrations of the maximum exposure to credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The following tables show the concentration by industry of the Company's financial assets:

December 31, 2024						
	Cash and cash equivalents	Financial assets at FVTPL and FVOCI	Trade receivables*	Other receivables and other assets**	Total	%
Financials (Banks)	₱128,758,408	₱137,763,752	₱1,007,185	₱5,006,083	₱272,535,428	62.90%
Industrial (Food and Energy)	-	10,892,400	-	-	10,892,000	2.51%
Holding companies	-	12,790,450	13,892,756	-	26,683,206	6.16%
Property	-	-	-	-	-	-
Services (IT)	-	8,463,700	-	-	8,463,700	1.95%
Others – Individuals	-	-	114,700,471	-	114,700,471	26.47%
	₱128,758,408	₱169,909,902	₱129,600,412	₱5,006,083	₱433,274,805	100.00%

*Trade receivables consist of receivables from clearing house and receivable from customers.

**Other assets pertain to contributions to clearing and trade guarantee fund.

December 31, 2023						
	Cash and cash equivalents	Financial assets at FVTPL and FVOCI	Trade receivables*	Other receivables and other assets**	Total	%
Financials (Banks)	₱99,809,936	₱147,768,153	₱7,616,669	₱3,953,091	₱259,147,849	82.36%
Industrial (Food and Energy)	-	-	-	-	-	-
Holding companies	-	23,893,130	13,892,756	-	37,785,886	12.01%
Property	-	-	-	-	-	-
Services (IT)	-	3,047,806	-	-	3,047,806	0.97%
Others – Individuals	-	-	14,683,794	-	14,683,794	4.66%
	₱99,809,936	₱174,709,084	₱36,193,219	₱3,953,091	₱314,665,335	100.00%

*Trade receivables consist of receivables from clearing house and receivable from customers.

**Other assets pertain to contributions to clearing and trade guarantee fund.

The Company's credit exposure by geographic location is concentrated in the Philippines. Identified concentration of credit risks is managed and controlled.



Credit quality per class of financial assets

As of December 31, 2024 and 2023, the Company's financial assets classified according to credit quality are as follows:

	December 31, 2024			
	High grade	Standard grade	Substandard grade	Total
Cash and cash equivalents	P128,758,408	P-	P-	P128,758,408
Trade receivables*	8,939,160	95,757,862	64,873,904	169,570,926
Financial assets at FVOCI	65,282,998	-	-	65,282,998
Other receivables	1,041,437	-	-	1,041,437
Other noncurrent assets	3,964,646	-	-	3,964,646
	207,986,649	95,757,862	64,873,904	368,618,415
Allowance for expected credit losses	-	-	(39,970,514)	(39,970,514)
	P207,986,649	P95,757,862	P24,903,390	P328,647,901

*Trade receivables consist of receivables from clearing house and receivable from customers

	December 31, 2023			
	High grade	Standard grade	Substandard grade	Total
Cash and cash equivalents	P99,809,936	P-	P-	P99,809,936
Trade receivables*	6,825,256	8,392,443	60,950,546	76,168,245
Financial assets at FVOCI	73,996,482	-	-	73,996,482
Other receivables	216,274	-	-	216,274
Other noncurrent assets	3,736,817	-	-	3,736,817
	184,584,765	8,392,443	60,950,546	253,927,754
Allowance for expected credit losses	-	(4,512)	(39,970,514)	(39,975,026)
	P184,584,765	P8,387,931	P20,980,032	P213,952,728

*Trade receivables consist of receivables from clearing house and receivable from customers

The Company's bases in grading its financial assets are as follows:

High grade

Financial assets at amortized cost - Cash and cash equivalents, Trade receivables and Other receivables

The Company's financial assets at amortized cost, which are neither past due nor impaired, are classified as high grade, due to their high probability of collection (i.e. the counterparty has the evident ability to satisfy its obligation and the security on the receivables are readily enforceable).

Cash and cash equivalents are considered high grade since these are deposited and/or invested with reputable banks duly approved by the BOD and have low probability of insolvency. Accordingly, cash and cash equivalents are classified under Stage 1 as of December 31, 2024 and 2023.

Trade receivables or accounts that fall within T+2 and with high probability of collection due to apparent ability of the counterparty to settle the obligation and fully secured by financial collateral are considered as high grade. As at December 31, 2024 and 2023, P8.94 million and P6.57million of the total receivables from customers are fully secured by collaterals comprising of cash and equity securities of listed companies with a total fair value of P348.81 million and P246.58 million, respectively (Note 9).

Other receivables are accounts from counterparties such as the Parent Company and other financial institutions with no history of default and are not past due as at the end of the reporting period.

For trade and other receivables, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses.



Financial assets at FVOCI

The investment is classified as high grade since this is a retail treasury bond issued by the Philippine government and there is a high probability of collecting the principal and coupon payments. This is assessed as low credit risk financial asset in view of the Philippine's investment grade credit rating. Accordingly, as of December 31, 2024 and 2023, the financial assets at FVOCI are classified under Stage 1.

Standard grade

Trade receivables

Standard grade trade receivables are accounts that are beyond the T+2 but the corresponding collateral valuation is sufficient to cover the overdue amount.

Substandard grade

These are accounts that are beyond the T+2 and partially secured or unsecured by collateral.

Impairment assessment

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

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 (i.e., a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. 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 the financial effect of the financial collaterals, forward-looking factors specific to the debtors and the economic environment. Considering the limited historical default experience and the level of collateral, the ECL calculated by the Company for receivable from customers as of December 31, 2024 and 2023 amounted to P39.97 million and P39.98 million, respectively (Note 9).

The Company applies the low credit risk simplification provided under PFRS 9 in the staging assessment of its cash and cash equivalents and financial assets at FVOCI.

Aging Analyses of Financial Assets

The aging analyses of the Company's receivable from customers as at December 31, 2024 and 2023 are summarized in the following tables (gross of allowance for credit losses):

	December 31, 2024					
	Days past due					
	Current	4-14 days	15-31 days	More than 31 days	Specifically Impaired	Total
Receivable from customers	P129,600,412	P—	P—	P39,970,514	P—	P169,570,926



	December 31, 2023					
	Days past due					
	Current	4-14 days	15-31 days	More than 31 days	Specifically impaired	Total
Receivable from customers	P35,492,175	P225,592	P-	P39,970,514	P-	P75,688,281

Liquidity risk

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

The Company manages liquidity risk by preparing daily projected and actual cash flows. Controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements.

In addition, the Company's liquidity position is assessed and managed by maintaining limits on ratio of aggregate indebtedness (AI) to net liquid capital (NLC), which should not exceed 2,000.0%. NLC is the equity of the Company adjusted for unrealized gains (losses) on proprietary accounts, subordinated liabilities, deferred tax assets, deposits for future stock subscription, minority interest, if any, contingencies and guarantees, and the total ineligible assets.

The NLC of the Company amounted to P185.91 million and P94.76 million as of December 31, 2024 and 2023, respectively (Note 18). The Company's AI amounted to P216.82 million and P139.85 million as of December 31, 2024 and 2023, respectively (Note 18). The ratio of the Company's AI to NLC are 117% and 148% as of December 31, 2024 and 2023, respectively.

Analysis of financial instruments by remaining contractual maturities

The financial assets and financial liabilities are due within one year from the reporting date except for financial assets at FVOCI amounting to P65.28 million and P24.04 million as of December 31, 2024 and 2023, respectively, which are due beyond one year from the reporting date.

Market risk

Market risk is the risk that the value of an investment will decrease due to movements in market factors such as, but not limited to, interest rate risk or the risk that interest rates will change; currency risk or the risk that foreign exchange rates will change; commodity risk or the risk that commodity prices will change; equity price risk or the risk that stock and other index prices will change.

The Company's market risk originates from its securities in proprietary account which are held for trading purposes and financial instruments classified as FVOCI investments. In accordance with RBCA requirements, limit is imposed for all equity, debt and foreign exchange positions of the Company.



Equity price risk

Equity price risk is the risk that the fair values of equity securities increase or decrease as a result of changes in the levels of equity indices and the value of individual stocks.

The following tables set forth the impact of changes in the Philippine Stock Exchange index (PSEi) on the Company's net unrealized gain on financial assets at FVTPL in 2024 and 2023 (amounts are in millions):

Changes in PSEi	2024		2023	
	+10.00%	-10.00%	+10.00%	-10.00%
Increase (decrease) in net unrealized gain on FVTPL investments	P4.46	(P4.46)	P4.50	(P4.50)

As of December 31, 2024 and 2023, the impact of changes in the NAV per unit of investments in UITF held as financial assets at FVTPL are as follows (amounts are in millions)

Changes in NAV	2024		2023	
	+10.00%	-10.00%	+10.00%	-10.00%
Increase (decrease) in net unrealized gains on FVTPL investments	P5.74	(P5.74)	P5.34	(P5.34)

Interest rate risk

Interest rate risk arises from the possibility that changes in the interest rates will affect future cash flows of the financial instruments. Interest rate risk of the Company arises from financial assets at FVOCI with fixed interest rates. Potential changes in interest rates would impact equity as follows:

	2024			
	Change in interest rates (in basis points [bp])			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in Equity	(P593,036)	(P237,958)	P238,955	P599,268
	2023			
	Change in interest rates (in basis points)			
	25bp rise	10bp rise	10bp fall	25bp fall
Change in Equity	(P138,696)	(P55,597)	P55,736	P139,689

6. Cash and Cash equivalents

This account consists of:

	2024	2023
Cash in banks	P75,287,077	P99,809,936
Short-term placements	53,471,331	-
Petty cash	10,000	10,000
	P128,768,408	P99,819,936

In compliance with Securities Regulation Code (SRC) Rule 49.2-1, Physical Possession or Control of Securities, which covers customer protection and custody of securities, the Company maintains a special reserve bank account for the exclusive benefits of its customers amounting to P4.91 million



and P33.67 million as of December 31, 2024 and 2023, respectively. These amounts are included in the Company's cash in banks. The Company's reserve requirement is determined monthly based on SEC's prescribed computations. As of December 31, 2024 and 2023, the Company is in compliance with SRC Rule 49.2-1.

Cash in banks bear annual interest rates ranging from 0.05% to 0.63% in 2024 and 2023. Interest income earned from the deposit in banks amounted to P0.26 million and P0.56 million in 2024 and 2023, respectively.

Short-term placements refer to special savings deposit with an original term to maturity of three months and less with an interest rate of 6.00% in 2024. Interest income earned from short-term placements amounted to P3.00 million in 2024.

7. Financial Assets at FVTPL and Financial Assets at FVOCI

Financial Assets at FVTPL

As of December 31, 2024 and 2023, financial assets at FVTPL of the Company are as follows:

	2024	2023
Quoted equity securities	P47,217,490	P47,273,736
Unit investment trust funds	57,409,414	53,438,871
	P104,626,904	P100,712,607

Dividend income recognized from quoted equity securities amounted to P0.60 million and P0.93 million in 2024 and 2023, respectively.

Net realized and unrealized gains on financial assets at FVTPL recognized in the statements of income under 'Trading gains (losses) - net' amounted to:

	2024	2023
Sold securities	(P6,294,577)	(P100,573)
Outstanding securities	1,688,329	662,161
	(P4,606,248)	P561,588

Financial Assets at FVOCI

Financial assets at FVOCI pertain to the Company's investment in government debt securities.

	2024	2023
Current portion	P-	P49,954,811
Non-current portion	65,282,998	24,041,671
	P65,282,998	P73,996,482

These securities bear annual interest rates of 6.25% in 2024 and from 2.63% to 5.90% in 2023, with remaining maturities of 4.16 years in 2024 and from 0.03 to 4.19 years in 2023. Interest income earned from the debt securities amounted to P4.26 million and P1.70 million in 2024 and 2023, respectively.



The movements of net unrealized gain (loss) on financial assets at FVOCI are as follows:

	2024	2023
Balance at beginning of year	(P588,116)	(P1,567,986)
Unrealized gains (losses) during the year	(306,671)	979,870
Realized loss on sale of securities	1,177,784	-
Balance at end of year	P282,997	(P588,116)

In 2024, the realized loss on sale of financial assets at FVOCI amounting to P1.18 million is presented in the statements of income under 'Trading gains (losses) – net'.

8. Receivable from and Payable to Clearing House

Outstanding balances of receivable and payable to clearing house consist of the following:

	2024	2023
Receivable from clearing house	P-	P479,964
Payable to clearing house	95,669,162	4,278,607
	(P95,669,162)	(P3,798,643)

Amounts outstanding as of December 31, 2024 and 2023 were subsequently collected or settled in January 2025 and 2024, respectively.

9. Receivable from Customers

This account consists mainly of receivable from customers for purchase transactions that are expected to be settled within 2 trading days after the reporting date for 2024 and 2023. Details of receivable from customers follow:

	2024			2023		
	Money Balance	Security Valuation Long Short		Money Balance	Security Valuation Long Short	
Fully secured accounts:						
More than 250%	P8,939,160	P348,895,107	P-	P6,329,406	P246,486,830	P-
Between 100% to 250%	-	-	-	50,388	89,580	-
Less than 100%	95,757,862	95,600,619	-	8,166,851	8,034,550	-
Unsecured accounts	64,873,984	-	-	60,930,546	-	-
	169,570,926	444,495,726	-	75,688,281	254,610,960	-
Less allowance for credit losses	(39,970,514)	-	-	(39,975,026)	-	-
	P129,600,412	P444,495,726	P-	P35,713,255	P254,610,960	P-

Receivable from customers as of December 31, 2024 and 2023 were collected in January 2025 and January 2024, respectively.



An analysis of the allowance for credit losses for the Company's receivable from customers is as follows:

	2024				
	Days past due				
	Current	4-14 days	15-31 days	More than 31 days	Total
Balance at January 1	P-	P4,512	P-	P39,970,514	P39,975,026
Provisions for (reversals from) credit losses	-	(4,512)	-	-	(4,512)
Allowance for credit losses	P-	P-	P-	P39,970,514	P39,970,514

	2023				
	Days past due				
	Current	4-14 days	15-31 days	More than 31 days	Total
Balance at January 1	P-	P14,845	P-	P-	P14,845
Provisions for (reversals from) credit losses	-	(10,333)	-	39,970,514	39,960,181
Allowance for credit losses	P-	P4,512	P-	P39,970,514	P39,975,026

10. Other Receivables

This account consists of:

	2024	2023
Accrued interest receivable	P848,714	P138,417
Other receivables	192,723	77,857
	P1,041,437	P216,274

Other receivables pertain primarily to a three-year loan granted to an employee as part of the financing plan of the Company.

11. Property and Equipment

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

	2024			
	Condominium	Furniture and Fixture	Transportation Equipment	Total
Cost				
Balance at the beginning of the year	P11,362,941	P3,963,859	P1,840,060	P17,166,860
Acquisitions	2,053,571	960,627	-	3,014,198
Derecognitions	-	-	(630,000)	(630,000)
Balance at the end of the year	13,416,512	4,924,486	1,210,060	19,551,058
Accumulated Depreciation				
Balance at the beginning of the year	1,344,614	3,200,589	723,588	5,268,791
Depreciation	243,026	654,441	335,512	1,232,979
Derecognitions	-	-	(629,000)	(629,000)
Balances at the end of the year	1,587,640	3,855,030	430,100	5,872,770
Net Book Value	P11,828,872	P1,069,456	P779,960	P13,678,288



	2023			
	Condominium	Furniture and Fixture	Transportation Equipment	Total
Cost				
Balance at the beginning of the year	₱11,362,941	₱3,797,019	₱2,375,774	₱17,535,734
Acquisitions	—	166,840	714,286	881,126
Derecognitions	—	—	(1,250,000)	(1,250,000)
Balance at the end of the year	11,362,941	3,963,859	1,840,060	17,166,860
Accumulated Depreciation				
Balance at the beginning of the year	1,117,356	2,588,857	1,325,815	5,032,028
Depreciation	227,258	611,732	397,773	1,236,763
Derecognitions	—	—	(1,000,000)	(1,000,000)
Balance at the end of the year	1,344,614	3,200,589	723,588	5,268,791
Net Book Value	₱10,018,327	₱763,270	₱1,116,472	₱11,898,069

As of December 31, 2024 and 2023, the cost of fully depreciated items of property and equipment still in use amounted to ₱2.56 million and ₱2.29 million, respectively.

12. Intangible Assets

Exchange Trading Right

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

Republic Act (RA) No. 8799, entitled SRC, prescribed the conversion of the PSE into a stock corporation effective on August 8, 2001, pursuant to a conversion plan approved by the SEC. In August 2001, the SEC approved the conversion plan with the following salient features, among others:

- the existing 184 member-brokers as of August 8, 2001 are eligible to subscribe to the shares and to retain access to the trading facilities of the PSE;
- each member shall subscribe to 50,000 shares at a par value of ₱1.00;
- the balance of the members' contribution amounting to ₱277.40 million shall be treated as additional paid-in capital;
- the separation of ownership of the PSE from access to trading;
- issuance of certificate of trading right;
- policy of imposing a moratorium on the issuance of new trading right; and
- transferability of trading right.

As of December 31, 2024 and 2023, the carrying values of exchange trading right follows:

Cost	₱12,000,000
Less: allowance for impairment losses	4,000,000
	₱8,000,000

The exchange trading right is regarded as having an indefinite useful life when it was acquired because it is expected to generate net cash inflows indefinitely. Thus, it shall not be amortized but shall be subject for impairment at every reporting date. In 2024 and 2023, the Company did not recognize any impairment loss or gain from reversal of impairment on the exchange trading right as its last transacted price in the PSE remains the same.



Computer Software

Movements in computer software are as follows:

	2024	2023
Cost		
Balance at beginning and end of year	₱5,516,216	₱5,516,216
Accumulated Amortization		
Balance at beginning year	4,292,470	3,572,376
Amortization	586,746	720,094
Balance at the end of the year	4,879,216	4,292,470
Net Book Value	₱637,000	₱1,223,746

13. Prepayments and Other Assets

This account consists of:

	2024	2023
Current assets		
Nonfinancial assets		
Prepaid taxes	₱6,674,267	₱5,299,774
Others	1,345,698	2,804,020
	8,019,965	8,103,794
Noncurrent asset		
Financial asset		
Contribution to Clearing and Trade Guarantee Fund (CTGF)	3,964,646	3,736,817
	₱11,984,611	₱11,840,611

Prepaid taxes pertain to excess tax payments and creditable withholding taxes.

Contributions to the CTGF are refundable to the clearing members upon cessation of their business and/or termination of their membership with the Securities Clearing Corporation of the Philippines.

14. Payable to Customers

This account consists mainly of payable to customers for sale transactions that are expected to be settled within 2 trading days after the reporting date in 2024 and 2023. Payable to customers as of December 31, 2024 and 2023 were paid in January 2025 and 2024, respectively.

Details of payable to customers follow:

	2024		2023	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
With money balances	₱131,223,792	₱2,932,638,939	₱97,661,991	₱1,613,408,144
Without money balances	-	44,126,766,309	-	45,412,957,430
	₱131,223,792	₱47,059,405,248	₱97,661,991	₱47,026,365,574



15. Accrued Expenses and Other Liabilities

This account consists of:

	2024	2023
Financial liabilities		
Accrued expenses	₱4,788,510	₱7,227,670
Central depository payable	725,042	85,986
	5,513,552	7,313,656
Nonfinancial liability		
Due to BIR	2,524,971	3,005,145
	₱8,038,523	₱10,318,801

Due to BIR consists of withholding tax payable, VAT payable, and stock transaction tax payable.

16. Retirement Liability

The Company has an unfunded non-contributory defined benefit retirement plan covering all its officers and regular employees. The retirement plan is administered by CBC's Trust Group which acts as the trustee of the plan. Under the plan, all covered officers and employees are entitled to cash benefits after satisfying certain age and service requirements. The latest actuarial valuation studies of the retirement plan were made as of December 31, 2024.

The principal actuarial assumptions used in 2024 and 2023 in determining the retirement liability for the Company's retirement plans are shown below:

	2024	2023
Discount rate	6.02%	5.99%
Salary increase rate	6.00%	6.00%
Average years of service	4.14	3.24
Turnover rate	3.56%	13.25%

As of December 31, 2024 and 2023, the present value of defined benefit obligation of the Company amounted to ₱7.24 million and ₱3.76 million, respectively. Changes in the defined benefit obligation follow:

	2024	2023
Balance at beginning of year	₱3,760,699	₱4,222,986
Retirement expense in profit or loss:		
Current service cost	1,037,177	1,069,967
Interest cost	225,266	286,741
	1,262,443	1,356,708
Remeasurement losses (gains) on defined benefit liability		
Changes in financial assumptions	(23,554)	425,124
Changes in demographic assumption	1,954,334	670
Deviations of experience from assumptions	284,862	143,718
	2,215,642	569,512
Benefits payment	-	(2,388,507)
	₱7,238,784	₱3,760,699



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

	2024	2023
Discount rate:		
1%	(P1,153,916)	(P521,712)
-1%	1,444,593	635,709
Salary increase rate:		
1%	1,400,398	613,355
-1%	(1,142,469)	(514,214)

The maturity analysis of the undiscounted benefit payments as of December 31, 2024 and 2023 follows:

	2024	2023
More than 1 year to 5 years	P1,510,252	P1,583,735
More than 5 years to 10 years	8,322,837	2,766,678
More than 10 years to 15 years	2,447,502	7,737,001
More than 15 years to 20 years	14,866,850	15,049,988
More than 20 years	251,478,195	225,290,537

17. Income Taxes

Income taxes include corporate income tax and final tax paid. Final tax paid pertains to the 20.00% withholding tax on gross interest income from cash in bank, deposit substitutes and government securities.

Republic Act (RA) No. 9337, An Act Amending National Internal Revenue Code, as amended by RA No. 10963 otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN) and RA No. 11534 otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE), provides that regular corporate income tax (RCIT) rate shall be 25.00% while interest expense allowed as a deductible expense is reduced to 20.00% of interest income subject to final tax.

CREATE Law reduced the rate of Minimum Corporate Income Tax (MCIT) from 2% to 1%, however, Revenue Memorandum Circular (RMC) No. 69-2023 reverted (MCIT) to 2.00% starting July 1, 2023. An MCIT of 2.00% on gross income is computed and compared with the RCIT. Any excess MCIT over RCIT can be used as a tax credit against future income tax liability for the next three years. In addition, the Net Operating Loss Carry Over (NOLCO) is allowed as a deduction from taxable income in the next three years from the year of inception.

Optional standard deduction (OSD) equivalent to 40.00% of gross income may be claimed as an alternative deduction in computing for the RCIT. Gross income shall mean gross sales less sales returns, discounts and allowances and cost of services. The Company elected to claim itemized deductions instead of OSD in computing for the RCIT in 2024 and 2023.

TRAIN Law

Republic Act (RA) No. 10963, the Tax Reform for Acceleration and Inclusion (TRAIN), is the first package of the comprehensive tax reform program of the government. The bill was signed into law on December 19, 2017 and took effect on January 1, 2018, amending some provisions of the old Philippine tax system.



Except for resident foreign corporations, which under the said law, is subject to the 7.50%, tax on interest income of foreign currency deposit was increased to 15.00% under TRAIN. Documentary stamp tax on bank checks, drafts, certificate of deposit not bearing interest, all debt instruments, bills of exchange, letters of credit, mortgages, deeds and others are now subjected to a higher rate.

CREATE Act

RA No. 11534 otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE) was signed into law last March 26, 2021, and became effective on April 11, 2021.

Provision for income tax consists of:

	2024	2023
Current		
MCIT	P679,559	P411,468
Final tax	1,506,032	466,053
	P2,185,591	P877,521

The balances of excess MCIT over RCIT with their corresponding years of expiration are as follows:

Year Inception	Availment period	Amount	Excess MCIT over RCIT Applied Previous Year/s	Excess MCIT over RCIT Expired	Excess MCIT over RCIT Applied Current Year	Excess MCIT over RCIT unapplied	Expiry Year
2023		P208,960	P-	P-	P-	P208,960	2026
2024		679,559	P-	P-	P-	679,559	2027
		P888,519	P-	P-	P-	P888,519	

As of December 31, 2024 and 2023, the Company's recognized deferred taxes are as follows:

	2024	2023
Deferred tax liability on:		
Unrealized foreign exchange gains	P110,203	P-
Unrealized MTM gains on FA at FVTPL	144,444	-
Deferred tax asset on:		
Accrued expenses	(254,647)	-
	(P-)	P-



The components of the Company's unrecognized deferred tax assets as at December 31, 2024 and 2023, respectively, are as follows:

	2024	2023
Allowance for credit losses	P10,992,629	P10,993,757
NOLCO	3,078,927	-
Retirement liability	1,809,696	940,175
Excess MCIT over RCIT	888,519	208,960
Accrued expenses	95,354	972,126
Unrealized mark-to-market loss (gain) on financial assets at FVOCI	(70,749)	147,029
Unrealized mark-to-market loss on financial assets at FVTPL	-	277,639
	P16,794,376	P13,539,687

The reconciliation between the statutory income tax and the effective income tax follows:

	2024	2023
Statutory income tax	(P725,233)	(P9,577,992)
Tax effects of:		
Excess MCIT over RCIT	679,559	208,960
Change in other unrecognized deferred tax asset	2,238,998	10,005,694
Nondeductible expenses	515,508	572,674
Tax paid and tax-exempt income	(523,241)	(331,815)
Effective income tax	P2,185,591	P877,521

18. Equity

Details of the Company's share capital as of December 31, 2024 and 2023 are as follows:

	2024		2023	
	Shares	Amounts	Shares	Amounts
Common stock - P10.00 par value				
Authorized, issued and outstanding	15,000,000	P150,000,000	15,000,000	P150,000,000
Preferred stock - P10.00 par value				
Authorized shares	5,000,000		-	
Issued and outstanding	1,250,000	12,500,000	-	-
Share premium		100,200,000		12,700,000
		P262,700,000		P162,700,000

On May 25, 2023, the Company's Board of Directors (BOD) approved the increase in authorized capital stock (ACS) of the Company from P150 million to P200 million, composed of 15 million common shares and 5 million preferred shares both with a par value of P10.00 per share.

On September 26, 2023, the Company entered into a subscription agreement with the Parent Company where the latter shall subscribe to 1.25 million preferred shares at a subscription price of P80.00 per share or an aggregate issued price of P100 million. On October 10, 2023, the Parent Company paid P100 million for the additional subscription of 1.25 million preferred shares at a subscription price of P80.00 per share.



As of December 31, 2023, no application for the increase in authorized capital stock has been presented or has been filed with the SEC. Hence, in accordance with SEC FRB No. 006, as revised on January 6, 2022, the ₱100 million subscription is presented as 'Deposit for future stock subscription' under current liabilities of the statement of financial condition.

On December 27, 2024, the Company's application for an increase in authorized capital stock was approved by the SEC. On the same date, the 1.25 million preferred shares were issued to the Parent Company and the booking of the 'Deposit for future stock subscription' was reclassified to Capital Stock – Preferred and Additional Paid-In Capital.

Stock Grants

In light of CBC's 100th anniversary, its BOD approved on August 5, 2020 a Centennial Stock Grant Plan to issue common shares to eligible grantees.

The Centennial Stock Grant Plan was approved and ratified by the stockholders on October 1, 2020, subject to the approval of the relevant regulatory agencies. New shares would be issued from CBC's authorized but unissued shares in favor of the Group's regular employees and certain other officers and contractual employees as of August 16, 2020, numbering around 8,400. The stock grant would involve the issuance of around 5.00 million shares of CBC.

On August 9, 2021, the Philippine Stock Exchange (PSE) approved CBC's application to list 5,451,600 common shares, with a par value of ₱10.00 per share, to cover the Group's Centennial Stock Grant Plan. CBC issued a total of 5.39 million shares on September 1, 2021. The difference between the fair value of the stock grants upon issuance of shares and the fair value previously recognized when the shares vested is recognized in the statement of income.

As of December 31, 2024 and 2023, the outstanding values of the stock grants awarded by CBC to the Company's employees amounted to ₱0.07 million recognized under 'Other equity' in the statement of financial condition.

Capital Management

The primary objectives of the Company's capital management are to ensure that it complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize stockholders' value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may increase its authorized capital stock and issue new shares or obtain temporary financial assistance from its Company as may be necessary.

Regulatory Qualifying Capital

The 2015 Implementing Rules and Regulations of the SRC effective in November 2015 include, among others, 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 require compliance with RBCA Rules for Broker Dealers, which requires net liquid capital of ₱5.00 million or 5.00% of AI, whichever is higher; or ₱2.50 million or 2.50% of AI, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities; and



- b) To require unimpaired paid-up capital of ₱100.00 million for broker dealers, which are either first time registrants or those acquiring existing broker dealer firms and will participate in a registered clearing agency; ₱30.00 million plus a surety bond for existing broker dealers not engaged in market making transactions; and ₱2.50 million for broker dealers dealing only in proprietary shares and not holding securities.

RBCA ratio of a broker dealer, computed by dividing the NLC by the Total Risk Capital Requirement (TRCR), should not be less than 110.00%. NLC and TRCR are computed based on the existing SRC. NLC consists of total equity adjusted for unrealized gains (losses) on proprietary accounts, subordinated liabilities, deferred tax assets, deposits for future stock subscription, minority interest, if any, contingencies and guarantees, and the total ineligible assets. Also, the AI of every stockbroker should not exceed 2,000.00% of its NLC and at all times shall have and maintain NLC of at least ₱5.00 million or 5.00% of the AI, whichever is higher.

As of December 31, 2024 and 2023, the Company is in compliance with the RBCA ratio. The RBCA ratio of the Company as reported to the SEC as of December 31, 2024 and 2023 is shown in the table below:

	2024	2023
Eligibility for NLC	₱221,449,799	₱128,388,935
Ineligible assets	(35,537,021)	(33,629,028)
NLC	185,912,778	94,759,907
Operational risk	12,144,438	10,576,248
Position risk	15,176,293	14,763,671
Counterparty risk	-	-
Large exposure risk	2,614,427	93,079
TRCR	29,935,158	25,432,998
AI	₱216,823,276	₱139,851,851
5.0% of AI	10,841,164	6,992,593
Required NLC	10,841,164	6,992,593
Net risk-based capital excess	175,071,614	87,767,315
Ratio of AI to NLC	117%	148%
RBCA ratio	621%	373%

Further, SEC Memorandum Circular No. 16 dated November 11, 2004 provides the guidelines on the adoption in the Philippines of the RBCA Framework for all registered brokers dealers in accordance with the 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.

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

Ineligible assets

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

Operational risk requirement

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



Position risk requirement

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

Counterparty risk requirements

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

AI

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

Reserves

SRC Rule 49.1 (B), Reserve Fund, of the SEC Memorandum Circular No. 16, requires that every broker dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to appropriated retained earnings. Minimum appropriation shall be 30.00%, 20.00% and 10.00% of profit after tax for broker dealers with unimpaired paid-up capital between ₱10.00 million to ₱30.00 million, between ₱30.00 million to ₱50.00 million and more than ₱50.00 million, respectively.

Further, the Market Regulation Department of SEC issued a position paper relative to interpretation and implementation of RBCA rules dated October 30, 2006. This provides a guideline on how to apply the SRC Rule 49.1 (B), Reserve Fund particularly on a scenario where the trading participant has incurred a loss or has a deficit. When the Retained Earnings (RE) is in deficit, all the current and future earnings should be used to wipe out the deficit in RE, before any available surplus is used to determine appropriation.

The Company is in a deficit position of ₱39.47 million in 2024 and ₱34.38 million in 2023. Accordingly, the Company has not made appropriations for the years 2024 and 2023. The cumulative appropriation as of December 31, 2024 and 2023 amounted to ₱0.48 million.

As of December 31, 2024 and 2023, the Company has complied with all externally imposed capital requirements.

19. Commissions

This account consists of:

	2024	2023
Brokering commission	₱29,233,832	₱25,112,607
Initial public offering commission	1,314,744	416,658
	₱30,548,576	₱25,529,265



Brokering commission of P2.43 million and P3.61 million pertained to transactions with related parties in 2024 and 2023, respectively (see Note 22).

20. Research and Marketing Fees

This account consists of:

	2024	2023
Marketing and promotional fees	P15,155,301	P15,809,698
Research fees	2,400,000	2,400,000
	P17,555,301	P18,209,698

These fees pertain to transactions with the Parent Company in 2024 and 2023, respectively (see Note 22).

21. Miscellaneous Income and Operating Expenses

Miscellaneous Income

This account consists of:

	2024	2023
Custodianship	P1,500,000	P1,500,000
Foreign exchange gains (losses)	440,811	(66,151)
Miscellaneous income	5,726	4,759
	P1,946,537	P1,438,608

Operating Expenses

Information technology expenses include software maintenance, computer services and subscription for computer firewall application and fees paid to PCCI (Note 22). Communication and supplies include costs incurred for office telephone services, internet charges, postage and other office supplies. Entertainment, amusement and recreation include reimbursable expenses of the Company's officers. Management and other professional fees pertain primarily to fees paid to the Ultimate Parent Company (Note 22), external auditor and actuary.

Miscellaneous expenses consist of:

	2024	2023
Filing fees	P1,239,064	P-
Advertising and promotions	904,449	611,527
Repairs and maintenance	597,857	333,226
Membership fees and dues	38,392	25,750
Trainings and seminars	11,850	2,071
Bank charges	5,896	19,625
Others	918,179	391,299
	P3,715,687	P1,383,498



22. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company's related parties include:

- Key management personnel, close family members of key management personnel and entities which are controlled, significantly influenced by or for which significant voting power is held by key management personnel or their close family members;
- The Parent Company;
- The Ultimate Parent Company; and
- Affiliates or other related parties, which are associated companies, subsidiaries, ventures, including subsidiaries of associates and joint ventures of the venturers.

In 2024 and 2023, total remunerations of key management personnel include short-term employee benefits amounting to ₱20.79 million and ₱17.95 million, respectively.

As of December 31, 2024 and 2023, transactions with related parties are as follows:

Category	2024		2023		Nature, Terms, and condition
	Amount/ Volume	Outstanding Balance	Amount/ Volume	Outstanding balance	
Statements of Financial Condition					
CBC					
Cash in bank (including special reserve)		₱68,834,005		₱83,177,195	Checking and savings deposit with annual interest rate of 0.13% and 0.62%, respectively
Deposits	16,109,535,690		11,073,438,724		
Withdrawals	16,131,878,880		11,945,954,495		
Unit investment trust fund		57,409,414		53,438,871	Placement in institutional money market and cash fund
Placement	148,314,561		72,830,601		
Withdrawals	144,344,425		(9,730,676)		
Short-term placements		812,000		-	Special savings deposit account managed by the CBC Trust Department
Placement	2,436,508		-		
Maturities	1,624,500		-		
Parent Company					
Deposit for future stock subscription		-		100,000,000	Funds received from the Parent Company for future issuance of capital stock
Statements of Income					
CBC					
Interest income	266,617		553,822		Interest earned from cash in bank and special savings deposit account Commission income from brokerage services Realized gains from money market and cash fund redemption Payment for the services rendered by CBC as per service level agreement Trust fees
Commission income	2,087,601		3,060,204		
Trading gains	3,613,541		269,324		
Management and other professional fees	1,000,000		1,000,000		
Miscellaneous expense	20,000		60,000		
Parent Company					
Research and marketing fees (Note 20)	17,555,301		18,203,698		Marketing and research services fees received from the Parent Company Commission income from brokerage services
Commission income	345,136		540,948		
CBC Properties and Computer Center, Inc. (PCCI)					
Information technology	250,000		250,000		Payment for the services rendered by PCCI as per service agreement



Terms and conditions of transactions with related parties

Outstanding balances at year-end are unsecured and settlement occurs in cash. There have been no guarantees provided for the related party receivables or payables. An impairment assessment is undertaken each financial year through a review of the financial position of the related party and the market in which the related party operates. No impairment losses were recognized in 2024 and 2023 for related party transactions.

Pursuant to the Service Level Agreement, CBC is entitled to P1.00 million per annum management fee for services rendered to the Company including human resources, accounting, internal audit, treasury operation, administrative services and corporate marketing units. The Service Level Agreement is effective for a period of three (3) years from September 18, 2017 to 2020, and deemed automatically renewed for another three (3) years if no written termination is received by either party within one (1) month from the expiration of the original term.

Pursuant to the Service Agreement, PCCI is entitled to P0.25 million per annum management fee for services rendered to the Company including technical services to run the Company's computer systems and other computer requirements. The Service Agreement is effective for a period of three (3) years from November 16, 2017 to November 15, 2020, and deemed automatically renewed for another three (3) years if no written termination is received by either party within three (3) months from the expiration of the original term.

23. Approval of Release of Financial Statements

The accompanying financial statements of the Company were authorized and approved for issue by the BOD on March 20, 2025.

24. Supplementary Information Required Under Revenue Regulation 15-2010

In compliance with the requirements set forth by RR No. 15-2010 hereunder are the details of Value-Added Tax (VAT) and other taxes paid or accrued by the Company in 2024.

VAT

The National Internal Revenue Code (NIRC) of 1997 provides for the imposition of VAT on sales of goods and services. Accordingly, the Company's sales are subject to output VAT while its importations and purchases from other VAT-registered individuals or corporations are subject to input VAT. VAT rate is 12.00% effective February 1, 2006.

In compliance with Revenue Regulations (RR) No. 3-2024 Section 2(A), which provides that the EOPT Act adopts the accrual basis of recognizing sales for both sales of goods and services, including transactions to government or any of its political subdivisions, instrumentalities or agencies, and government-owned or -controlled corporations (GOCCs). Hence, all references to "gross selling price", "gross value in money", and "gross receipts" shall now be referred to as the "GROSS SALES", regardless of whether the sale is for goods under Section 106, or for services under Section 108 of the Tax Code.

Under Section 3 of RR No. 3-2024, sale or exchange of services, as well as the use or lease of properties, as defined in Section 108(A) of the Tax Code shall be subject to VAT, equivalent to twelve percent (12%) of the gross sales (excluding VAT).



Sales and output VAT declared in the Company's VAT returns filed in 2024:

	Sales	Output VAT
Vatable sales and other income	P57,108,265	P6,852,992
VAT exempt sales	-	-
Zero-rated sales	-	-
Total	P57,108,265	P6,852,992

The amounts of input tax reported are broken down as follows:

Current year's domestic purchases for:	
Goods other than capital goods	P94,505
Services	1,469,410
Current year's purchases of services from nonresidents	12,960
Total allowable input VAT	P1,576,875

For the taxable year 2024, the Company made total net VAT payments amounting to P5.55 million. As of December 31, 2024, the Company has net VAT payable of P1.86 million.

Taxes and Licenses

This includes all other taxes, local tax, including licenses and permit fees lodged under "Taxes and licenses" in the Company's statement of income for the year ended December 31, 2024:

Local taxes and permits	P165,773
Fringe benefit tax	44,709
Real property tax	19,446
DST	16,250
	P246,178

Withholding Taxes

	Total Remittances	Balances
Withholding taxes on compensation and benefits	P3,511,779	P160,685
Expanded withholding taxes	739,627	51,345
Final withholding taxes	8,101	-
Fringe benefits tax	48,047	8,674

Tax Assessments

As of December 31, 2024, the Company has no tax assessments received from the BIR.



INDEPENDENT AUDITOR'S REPORT

The Stockholders and Board of Directors
China Bank Securities Corporation
28th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Brgy. Bel-Air
Makati City

We have audited the accompanying financial statements of China Bank Securities Corporation as at December 31, 2024 and for the year then ended, on which we have rendered the attached report dated March 20, 2025.

In compliance with Revised Securities Regulations Code Rule 68, we are stating that the above Company has eight (8) stockholders owning more than one hundred (100) shares each.

SYCIP GORRES VELAYO & CO.



Redgimald G. Radam
Partner

CPA Certificate No. 118866

Tax Identification No. 249-000-259

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-141-2024, April 26, 2024, valid until April 25, 2027

PTR No. 10465364, January 2, 2025, Makati City

March 20, 2025



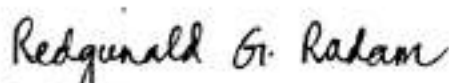
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INDEPENDENT AUDITOR'S REPORT

The Stockholders and Board of Directors
China Bank Securities Corporation
28th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Brgy. Bel-Air
Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of China Bank Securities Corporation (the Company) as at December 31, 2024 and 2023, and have issued our report thereon dated March 20, 2025. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code (SRC) Rule 68 and SRC Rule 52.1, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Redgimald G. Radam

Partner

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March 20, 2025



CHINA BANK SECURITIES CORPORATION
INDEX TO THE SUPPLEMENTARY SCHEDULES

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

ANNEX I

SCHEDULE I

CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
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

CHINA BANK SECURITIES CORPORATION
(A Wholly Owned Subsidiary of China Bank Capital Corporation)
RISK-BASED CAPITAL ADEQUACY WORKSHEET
PURSUANT TO SEC MEMORANDUM CIRCULAR NO. 16
DECEMBER 31, 2024

Assets	438,273,075
Liabilities	216,823,276
Equity as per books	221,449,799
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	
Deferred Income Tax	
Revaluation Reserve	
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to remunerations per books	
Equity Eligible For Net Liquid Capital	221,449,799
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	8,637,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	13,678,188
d. Prepayment from Client for Early Settlement of Account	
e. All Other Current Assets	5,217,591
f. Securities Not Readily Marketable	
g. Negative Exposure (SCCP)	168,824
h. Notes Receivable (non-trade related)	
i. Interest and Dividends Receivables outstanding for more than 30 days	845,574
j. Ineligible Insurance claims	
k. Ineligible Deposits	
l. Short Security Differences	
m. Long Security Differences not resolved prior to sale	
n. Other Assets including Equity Investment in PSE	6,959,745
Total ineligible assets	35,537,621
Net Liquid Capital (NLC)	185,912,178
Less:	
Operational Risk Req (Schedule ORR-1)	12,144,438
Position Risk Req (Schedule PRR-1)	15,176,293
Counterparty Risk (Schedule CRR-1 and detailed schedules)	
Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)	
LERR to a single client (LERR-1)	959,107
LERR to a single debt (LERR-2)	1,655,320
LERR to a single issuer and group of companies (LERR-3)	
Total Risk Capital Requirement (TRCR)	29,835,159
Net RBCA Margin (NLC-TRCR)	155,977,019
Liabilities	216,823,276
Add: Deposit for Future Stock Subscription (No application with SEC)	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	
Loans secured by securities	
Loans secured by fixed assets	
Others	
Total adjustments to AI	
Aggregate Indebtedness	216,823,276
5% of Aggregate Indebtedness	10,841,164
Required Net Liquid Capital (> of 5% of AI or P50)	10,841,164
Net Risk-based Capital Excess / (Deficiency)	175,071,614
Ratio of AI to Net Liquid Capital	117%
RBCA Ratio (NLC / TRCR)	621%

SCHEDULE III

**CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
INFORMATION RELATING TO THE POSSESSION OR
CONTROL REQUIREMENTS UNDER SRC RULE 49.2
DECEMBER 31, 2024**

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

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

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

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

SCHEDULE IV

CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
COMPUTATION FOR DETERMINATION OF
RESERVE REQUIREMENTS UNDER SRC RULE 49.2
DECEMBER 31, 2024

Particulars	Credits	Debits
1. Free credit balance and other credit balance in customers' security accounts.	P103,182,913	
2. Monies borrowed collateralized by securities carried for the account of customers.		
3. Monies payable against customers' securities loaned.		
4. Customers' securities failed to receive.	96,184,339	
5. Credit balances in firm accounts, which are attributable to principal sales to customers.		
6. Market value of stock dividends stock splits and similar distribution receivable outstanding over 30 calendar days old.		
7. Market value of the short security count differences over 30 calendar days old.		
8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days.		
9. Market value of securities, which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.		
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		P8,254,940
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make deliver on customers' securities failed to delivery.		
12. Failed to delivery customers' securities not older than 30 calendar days.		
13. Others - sales/purchases of marketable securities.		
Total	P199,367,252	P8,254,940
Net Credit (Debit)	P191,112,312	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	P191,112,312	

SCHEDULE V

**CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
A REPORT DESCRIBING ANY MATERIAL INADEQUACIES
FOUND TO EXIST OR FOUND TO HAVE EXISTED
SINCE THE DATE OF THE PREVIOUS AUDIT
DECEMBER 31, 2024**

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

SCHEDULE VI

**CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
RESULTS OF MONTHLY SECURITIES COUNT
CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED
DECEMBER 31, 2024**

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

Note: The attached summary is prepared by the Company.

SCHEDULE VI

**CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
RESULTS OF MONTHLY SECURITIES COUNT
CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED
DECEMBER 31, 2024**

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
2GO	2GO GROUP, INC.	100			100	13.5000	1,350
AAA	ASIA AMALGAMATED HOLDINGS CORP.			26,500	26,500	1.6100	42,665
AB	ATOK BIS WEDGE CO., INC.			137,200	137,200	5.4400	746,368
ABA	ABACORE CAPITAL HOLDINGS, INC.			34,679,000	34,679,000	0.5300	18,379,870
ABG	ASIABEST GROUP INTERNATIONAL INC.			257,300	257,300	26.2000	6,741,260
ABS	ABS-CBN CORPORATION			1,018,105	1,018,105	4.2000	4,276,041
ABSP	ABS-CBN HDGS. CORP "B"			367,190	367,190	3.8000	1,395,322
AC	AYALA CORPORATION			312,633	312,633	599.0000	187,267,167
ACE	ACESITE (PHILS.) HOTEL CORP.			5,943,000	5,943,000	1.7800	10,578,540
ACENA	ACEN Corporation Series A Preferred Shares			353,180	353,180	1,050.0000	370,839,000
ACENB	ACEN Corporation Series B Preferred Shares			764,540	764,540	1,056.0000	807,354,240
ACPAR	AYALA CORP. CLASS "A" PREFERRED SHARES			381,250	381,250	2,550.0000	972,187,500
ACPR3	AYALA CORPORATION CLASS "B" PREFERRED SHARES			389,600	389,600	2,052.0000	799,459,200
ACR	ALSONS CONSOLIDATED RESOURCES, INC.			3,770,000	3,770,000	0.4600	1,734,200
ACV	ABOTIZ EQUITY VENTURES, INC.			2,191,840	2,191,840	34.3500	75,289,704
AGI	ALLIANCE GLOBAL GROUP, INC.			3,270,400	3,270,400	9.0000	29,433,600
ALC	ALSONS CEMENT CORP.			8	8		

NAME OF ISSUER			LOCATION					
CODE	STOCK NAME	VALUE	TRANSFER OFFICE	PCB	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE	
ALCO	ARTHA/LAND CORPORATION			1,605,458	1,605,458	0.3650	585,992	
ALCOB	Arthaland Corporation - Series D Preferred Shares			301,210	301,210	464.4000	139,861,924	
ALCOF	ARTHA/LAND CORPORATION SERIES F PREFERRED SHARES			766,770	766,770	490.0000	375,717,300	
ALU	AYALA LAND, INC.			17,806,611	17,806,611	26.2000	466,533,208	
ALUY	Alloy Metals, Inc.			202,851,068	202,851,068	0.1330	26,979,192	
ALLHC	AYALALAND LOGISTICS HOLDINGS CORP.			41,588,500	41,588,500	1.7000	70,700,450	
ALTER	ALTER/ENERGY HOLDINGS CORPORATION			13,910,000	13,910,000	1.2000	16,692,000	
ANI	AGRI/NURTURE, INC.			1,555,600	1,555,600	0.5100	793,356	
AMS	A. SORIANO CORP.			19,130,297	19,130,297	13.6800	264,438,063	
AP	ABDITZ POWER CORPORATION			1,114,900	1,114,900	37.7000	42,031,730	
APC	APC GROUP, INC.			2,170,000	2,170,000	0.1850	401,450	
APL	APOLLO GLOBAL CAPITAL, INC.			649,860,000	649,860,000	0.0040	2,599,440	
APQ	AMIGO PHIL. HDGS. CORP.			401,650	401,650	0.4500	180,743	
APV	ALTUS PROPERTY VENTURES, INC.			10,448	10,448	8.3200	86,927	
APX	APEX MINING CO., INC.			6,155,587	6,155,587	3.4500	21,236,775	
AP	APRA/MING & IND. CORP.			297,000,000	297,000,000	0.0046	1,366,200	
ARA	ARANETA PROPERTIES, INC.			721,372	721,372	0.5100	367,900	
AREIT	AREIT, INC.			5,204,160	5,204,160	37.9500	197,497,872	
ASLAG	Resque Corp.			161,366,001	161,366,001	1.0300	166,206,981	
AT	ATLAS CONS. MNG. & DEVT. CORP.			867,955	867,955	4.3800	3,803,543	
ATI	ASIAN TERMINALS, INC.			32,700	32,700	17.0000	555,900	
ATN	ATN HOLDINGS, INC. "A"			11,116,000	11,116,000	0.5200	5,780,320	
ATNB	ATN HOLDINGS, INC. "B"			4,744,000	4,744,000	0.5200	2,466,880	
AUB	ASIA UNITED BANK CORPORATION			218,300	218,300	61.5000	13,425,450	
AXLM	AXELUM RESOURCES CORP.			964,900	964,900	2.5900	2,499,091	

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VOLUME	TRANSFER OFFICE	FCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
BALAI	Balai Ni Futuras Inc.			677,000	677,000	0.3600	243,720
BC	BENQUET CORP. "A"			239,616	239,616	3.9700	951,276
BCB	BENQUET CORP. "B"			217,000	217,000	3.9600	854,980
BCP	BENQUET CORP. PREFERRED			344	344	16.3000	5,607
BDO	BDO UNIBANK, INC.			1,212,844	1,212,844	144.0000	174,649,536
BEL	BELLE CORPORATION			1,217,362	1,217,362	1.6600	2,020,821
BHI	BOUTEVARD HOLDINGS, INC.			64,560,000	64,560,000	0.0740	4,777,440
BKR	BRIGHT KIMBLE RES. INV. INC.			498,200	498,200	0.0000	403,218
BLOOM	BLOOMBERY RESORTS CORPORATION			11,084,700	11,084,700	4.5800	50,767,926
BNCOM	Bank of Commerce			1,391,900	1,391,900	6.7500	9,395,325
BPH	BANK OF THE PHIL. ISLANDS			1,226,195	1,226,195	122.0000	149,595,790
BPN	A BROWN COMPANY, INC.			142,132	142,132	0.5600	79,594
BRNP	A Brown Company, Inc. Series A Pref. Shares			28,700	28,700	96.5000	2,769,550
BROWN	A BROWN COMPANY INC. SERIES B PREFERRED SHARES			541,310	541,310	92.0000	49,800,520
BRNPC	A BROWN COMPANY, INC. SERIES C PREFERRED SHARES			195,100	195,100	102.2000	19,929,220
BSC	BASIC ENERGY CORPORATION			15,126,965	15,126,965	0.1400	2,117,775
C	CHELSEA LOGISTICS AND INFRA HOLDING			3,339,900	3,339,900	1.3100	4,375,269
CAB	CONCRETE AGGREGATES CORPORATION			100	100	54.3000	5,430
CAL	CALATA CORPORATION		14,560		14,560		
CAT	CENTRAL AZUCARERA DE TAPIAC, INC.			10,200	10,200	11.2000	114,240
CBC	CHINA RAYMING CORPORATION		30,494,720	52,632,383	63,127,109	63.5000	4,008,571,041
CDC	CITYLAND DEV. CORP.			10,551,405	10,551,405	0.6800	7,174,955
CEB	CEBU AIR, INC.			387,980	387,980	26.2500	10,960,435
CEBCP	CEBU AIR, INC. CONVERTIBLE PREF. SHARE			180,376	180,376	34.5000	6,222,972
CEI	CROWN EQUITIES, INC.			1,071,000	1,071,000	0.0560	59,976

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
CEU	CENTRO ESCOLAR UNIVERSITY			4,075	4,075	13.8000	56,235
CHP	CEMEX HOLDINGS PHILIPPINES, INC.			1,205,000	1,205,000	1.7800	2,144,900
CIC	CONCEPCION INDUSTRIAL CORP.			14,700	14,700	13.3600	196,686
CIU	CEBU LANDMASTERS, INC.			5,954,213	5,954,213	2.6500	15,776,664
CIUA1	CEBU LANDMASTERS, INC. SERIES A-1 PREFERRED SHARES			131,380	131,380	1,000.0000	131,380,000
CIUA2	CEBU LANDMASTERS, INC. SERIES A-2 PREFERRED SHARES			184,795	184,795	1,000.0000	184,795,000
CNPF	CENTURY PACIFIC FOOD, INC.			304,350	304,350	41.9500	12,767,483
CWVG	CONVERGE ICT SOLUTIONS INC.			7,094,500	7,094,500	16.1600	114,505,230
COAL	COAL ASIA HOLDINGS, INC.			8,810,499	8,810,499	0.1540	1,356,817
COSCO	COSCO CAPITAL, INC.			6,813,100	6,813,100	5.3800	36,654,478
CPG	CENTURY PROPERTIES GROUP, INC.			10,147,637	10,147,637	0.4200	4,262,008
CPGPB	CENTURY PROPERTIES GROUP, INC. SERIES B PREF. SHARES			2,794,870	2,794,870	101.0000	282,281,870
CREC	CITICORE RENEWABLE ENERGY CORPORATION			699,000	699,000	3.2100	2,243,790
CREIT	Citicore Energy REIT Corp.			64,780,000	64,780,000	3.0500	197,579,000
CROWN	CROWN ASIA CHEMICALS CORP.			20,000	20,000	1.7100	34,200
CTS	CTS Global Equity Group, Inc.			2,289,000	2,289,000	0.6500	1,487,850
CYBB	CYBER BAY CORPORATION			1,005,500	1,005,500	0.3300	331,815
DB	DOUBLEDRAGON CORPORATION			204,100	204,100	10.2000	2,081,820
DDMPR	DDMP REIT, INC.			157,782,000	157,782,000	1.0300	162,515,460
DDPR	DOUBLEDRAGON PERPETUAL PREFERRED			568,920	568,920	97.2000	55,299,024
DELMT	DEL MONTE PACIFIC LIMITED			489,900	489,900	3.9000	1,910,610
DFNW	DIVERSIFIED FINL. NETWORK, INC.			410,900	410,900	2.8500	1,171,065
DHI	DOMINION HOLDINGS, INC.			553,790	553,790	1.6000	886,064
DITO	DITO CME HOLDINGS CORP.			10,871,559,633	10,885,419,288	1.6400	17,858,647,632
DIZ	DIZON COPPER SILVER MINES, INC.			45,000	45,000	2.0300	91,350

CODE	NAME OF ISSUER	STOCK NAME	VAULT	TRANSFER OFFICE	LOCATION		MARKET PRICE	MARKET VALUE
					PCD	TOTAL NO. OF SHARES		
DMC	DMC HOLDINGS, INC.				6,182,301	6,182,301	10.8200	66,892,497
DMW	D.M. WENCESLAD AND ASSOCIATES, INC.				555,600	555,600	5.5300	3,056,912
DNA	PHILAB HOLDINGS CORPORATION				26,900	26,900	2.8600	76,934
DNL	D & L INDUSTRIES, INC.				4,026,900	4,026,900	6.0900	24,523,821
DWC	DISCOVERY WORLD CORP.				27,000	27,000	1.1200	30,240
EAGLE	EAGLE CEMENT CORPORATION				31,784	31,784	17.0000	540,328
ECP	EASPCALL COMM. PHILS., INC. "COMMON"				28,000	28,000	2.2100	61,880
ECVC	EAST COAST VULCAN MINING CORPORATION				1,775,000	1,775,000	0.3100	550,250
EEI	EEI CORPORATION				186,550	186,550	3.6000	671,580
EEIPA	EEI Corporation Series A Preferred Shares				1,313,760	1,313,760	99.0000	130,062,240
EEIPB	EEI Corporation Series B Preferred Shares				3,999,820	3,999,820	98.4500	393,782,279
EG	SP E-GAME VENTURES INC.				5,540,000	5,540,000	0.0094	52,076
ELBA	EXPORT IND. BANK, INC.				600,000	600,000	0.2000	156,000
ELI	EMPIRE EAST LAND HLDGS., INC.				28,325,905	28,325,905	0.1200	3,399,109
EMI	EMPIRADOR INC.				373,700	373,700	18.0600	6,749,022
ENEX	ENEX ENERGY CORP				101,538	101,538	5.0000	507,690
ETON	ETON PROP. PHIL., INC.				7,996	7,996		
EURO	EURO MED LAB., PHILS., INC.				98,000	98,000	0.8200	80,360
EVER	EVER-GOTESCO RCS. HLDGS., INC.				675,000	675,000	0.2550	172,125
EW	EAST WEST BANKING CORP.				2,001,717	2,001,717	9.8500	19,746,912
FB	SAN MIGUEL FOOD AND BEVERAGE, INC.				297,110	297,110	52.7500	15,672,553
FCG	Figaro Coffee Group, Inc.				19,652,000	19,652,000	0.8600	16,900,720
FDC	HILINVEST DEVT. CORP.				332,478	332,478	4.9400	1,642,441
FERO	FERRONOUX HOLDINGS, INC.				101,000	101,000	5.3500	700,850
FEU	FAR EASTERN UNIVERSITY, INC.				3,798	3,798	735.0000	2,791,530

CODE	NAME OF ISSUER	STOCK NAME	VOLUME	TRANSFER OFFICE	LOCATION		MARKET PRICE	MARKET VALUE
					PCD	TOTAL NO. OF SHARES		
FH	FILIPINO FUND, INC.		8,188			8,188	5.8700	48,054
HGEN	HIRST GEN CORPORATION		4,153,886			4,153,886	10.1200	66,960,642
FLRT	FLINVEST REIT, CORP.		78,120,186			78,120,186	2.9500	230,454,549
FP	F. J. PRINCE HILIGS CORP.		40,000			40,000	2.5000	100,000
FL	FLINVEST LAND INC.		312,039,702			312,039,702	0.7300	227,788,982
FMET	FIRST METRO PHIL. EQUITY EXCHANGE		6,600			6,600	105.6000	696,960
FBI	GLOBAL FERROVIAL HOLDINGS, INC.		4,915,385			4,915,385	1.0400	5,112,000
FOOD	ALLIANCE SELECT FOODS INT'L, INC.		106,000			106,000	0.1800	40,280
FTM	FIRST FTIL HOLDINGS		426,405			426,405	59.0000	25,157,895
FPI	FORUM PACIFIC, INC.		100,000			100,000	0.2450	24,600
FRUIT	FRUITAS HOLDINGS, INC.		2,348,000			2,348,000	0.6400	1,502,720
FTN	FLSYN CORP. "A"		56,446			56,446	2.1000	118,537
SEO	GEOGRACE RES. PHILS., INC.		136,118			136,118	0.0800	11,978
GERI	GLOBAL-ESTATE RESORTS, INC.		677,702			677,702	0.6400	433,729
GLO	GLOBE TELECOM, INC.		75,129			75,129	2,184,0000	164,081,736
GMA7	GMA NETWORK, INC.		2,366,100			2,366,100	6.1100	14,456,871
GMAP	GMA HOLDINGS, INC. "PDR"		5,000			5,000	6.2600	31,300
GO	GOTESCO LAND, INC. "A"		12,632			12,632		
GDR	GOTESCO LAND, INC. "B"		66,591			66,591		
GREEN	GREENENERGY HOLDINGS, INC.		4,375,910			4,375,910	0.1900	831,423
GSMI	GINEBRA SAN MIGUEL, INC.		27,260			27,260	275.0000	7,496,500
GTCAP	GT CAPITAL HOLDINGS, INC.		134,792			134,792	658.0000	88,693,136
GTPB	GT CAPITAL HOLDINGS, INC. TRF "B"		31,300			31,300	990.0000	30,987,000
HOMI	ALHONIE CORPORATION		13,933,940			13,933,940	0.5400	8,917,122
HOLUC	B990 HOLDINGS, INC.		15,006,100			15,006,100	9.0900	136,405,449

NAME OF ISSUER			LOCATION					
CODE	STOCK NAME	VOLUME	TRANSFER OFFICE	PCTD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE	
HTI	HAUTE TAIL, INC.	315,000			315,000	1.0500	330,750	
HVN	GOLDEN M/V HOLDINGS, INC.	1,000			1,000	2,250.0000	2,250,000	
I	I-REMIT, INC.	38,000			38,000	0.2338	8,854	
ICT	INTL. CONTAINER TERMINAL SERV.	479,268			479,268			
IOC	ITALPHIAS DEVELOPMENT CORP.	322,045			322,045	386.0000	184,997,448	
IME	INTEGRATED MICRO-ELECTRONICS, INC.	1,202,700			1,202,700	1.3000	418,659	
INRA	PHILIPPINE INFRADEV HOLDINGS INC.	489,500			489,500	0.3000	1,792,023	
ION	IONICS, INC.	447,800			447,800	0.3400	146,850	
IPO	IPEOPLE, INC.	52,167			52,167	6.7900	376,152	
IS	ISLAND INFORMATION & TECH. INC.	2,030,000			2,030,000	0.1440	354,214	
IAS	JACKSTONES, INC.	1,000,000			1,000,000	292.320	292,320	
JFC	JOLIBEE FOODS CORP.	300,534			300,534	1.1000	1,100,000	
JFCPB	Jolibe Food Corporation Series B Pref Shares	255,045			255,045	80.843,000	80,843,000	
JGS	JIS SUMMIT HOLDINGS, INC.	2,891,882			2,891,882	984.0000	250,964,280	
KEPR	THE KEEPERS HOLDINGS, INC.	60,472,428			60,472,428	20.5500	59,428,175	
KEP	KEPPEL PHIL. PROP., INC.	43,776			43,776	2.2300	134,853,514	
KPH	KEPPEL PHIL. HDGS "A"	161,613			161,613	2.7900	122,135	
KPHB	KEPPEL PHIL. HDGS "B"	66,350			66,350	16.4600	2,660,150	
KPM	KEPPEL PHIL. HDGS "B"	5,000			5,000	18.8400	1,250,034	
LAND	KEPPEL PHIL. HDGS "B"	2,609,205			2,609,205	1.2600	6,300	
LC	CITY AND LAND DEVELOPERS, INC.	20,650,975			20,650,975	0.6800	1,774,259	
ECB	LEPANTO CONS. MING "A"	1,833,403			1,833,403	0.0670	1,383,615	
ECB	LEPANTO CONS. MING "B"	1,500			1,500	0.0670	122,838	
UFM	LIBERTY FLOUR MILLS, INC.	810,000			810,000	17.9200	26,880	
LMG	LMG CORP.	810,000			810,000	0.1900	153,900	
LDDE	LODESTAR INV. HDGS. CORP.	90,000			90,000	0.2800	25,200	

NAME OF ISSUER			LOCATION					
CODE	STOCK NAME	VOLUME	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE	
LOTO	PACIFIC ONLINE SYSTEMS	132,000			132,000	2.6500	349,800	
LPZ	LOPEZ HOLDINGS CORP.	4,339,726			4,339,726	2.7000	11,717,260	
LHW	LESLIE & RES. WORLD - WARRANT	8,000			8,000	0.2600	2,080	
LSC	LORENZO SHIPPING CORP.	2,500			2,500	0.8600	2,150	
LTS	LT GROUP, INC.	7,551,480			7,551,480	10.5000	79,290,540	
MA	MANILA MINING CORPORATION "A"	130,634,086			130,634,086	0.0030	391,902	
MAAB	MANILA MINING CORPORATION "B"	771,349			771,349	0.0030	2,314	
MAC	MACROASIA CORPORATION	1,750,900			1,750,900	5.4400	9,524,896	
MACAY	MACAY HOLDINGS, INC.	5,500			5,500	7.5200	41,360	
MAH	METRO ALLIANCE HLDGS. EQUITIES "A"	86,000			86,000	0.8300	71,380	
MAHB	METRO ALLIANCE HLDGS. EQUITIES "B"	2,188			2,188	0.6800	1,488	
MAARC	MARQUESTURES HOLDINGS, INC.	1,766,226			1,766,226	0.7500	1,324,670	
MAXS	MAXS GROUP, INC.	1,376,800			1,376,800	2.6700	3,676,056	
M8	MANILA BULLETIN PUBLISHING CORP.	82,098			82,098	0.1800	15,434	
M8C	MANILA BROADCASTING COMPANY	100			100	6.4000	640	
MBT	METROPOLITAN BANK TRUST CO.	1,987,331			1,987,331	72.0000	143,087,832	
MC	MASTEEL CONS., INC. "A"	1,300,000			1,300,000			
MCB	MASTEEL CONS., INC. "B"	8,119,607			8,119,607			
MEDIC	Medlines Distributors Incorporated	12,567,000			12,567,000	0.3100	3,895,270	
MEG	MEGAWORLD CORPORATION	52,655,482			52,655,482	2.0500	107,943,738	
MER	MANILA ELECTRIC COMPANY	267,116			267,116	488.0000	120,592,608	
MFC	MANULIFE FINANCIAL CORPORATION	80			80	1,760.0000	140,800	
MFIN	MARKET FINANCE CORPORATION	160			160	1.9900	318	
MIG	MILLENNIUM GLOBAL HLDGS., INC.	2,240,000			2,240,000	0.0940	210,560	
MIGH	METRO GLOBAL HOLDINGS CORP.	26,252			26,252	1.0000	26,252	

CODE	NAME OF ISSUER	STOCK NAME	VOLUME	TRANSFER OFFICE	LOCATION		MARKET PRICE	MARKET VALUE
					PCTD	TOTAL NO. OF SHARES		
MHC	MABUHAY HOLDINGS CORP.		90,000			90,000	0.1610	14,490
MJC	MANILA JOCKEY CLUB, INC.		44,000			44,000	1.2700	55,880
MMA	MERRYMART CONSUMER CORP.		11,591,900			11,591,900	0.6000	6,955,140
MONDE	MONDE NISSIN CORPORATION		24,612,600			24,612,600	8.6000	211,668,360
MRC	MRC ALLED, INC.		1,765,000			1,765,000	0.8400	1,482,600
MRETT	MRETT, Inc.		15,383,900			15,383,900	13.3400	205,221,226
MBSGI	METRO RETAIL STORES GROUP, INC.		826,000			826,000	1.2000	991,200
MVC	MABUHAY VINYL CORPORATION		53,400			53,400	5.3500	287,626
MWAC	MANILA WATER COMPANY, INC.		4,140,000			4,140,000	27.0000	111,780,000
MWIDE	MEGAWIDE CONSTRUCTION CORP.		3,067,800			3,067,800	2.4300	7,454,754
MWZD	MEGAWIDE CONST. CORP. SERIES 2B PREF.		249,700			249,700	90.0000	23,711,500
MANPA	MegaWide Construction Corp. Series 4 Pref Shares		2,047,920			2,047,920	97.9500	200,593,764
MWTS	MEGAWIDE CONSTRUCTION CORP. SERIES 5 PREF. SHARES		253,700			253,700	100.8000	25,572,960
MAS	MAS		13			13		
NASB	NASBIT LUMBER COMPANY INC. "B"		50			50		
NIL	NIMAD MINERAL RESOURCES INTL. INC.		318,000			318,000	0.3850	122,430
NILQ	NICKEL ASIA CORPORATION		7,878,165			7,878,165	3.4900	27,464,796
NOW	NOW CORPORATION		6,542,500			6,542,500	0.5900	3,860,075
NRCF	NATL REINSURANCE CORP OF THE PHILS		5,300,700			5,300,700	0.6900	3,657,483
NXGEN	NEXTGENESIS CORPORATION		15,450			15,450	7.0000	108,150
OGP	OCEANAGOLD (PHILIPPINES), INC.		974,200			974,200	14.0200	13,656,284
OM	OMCO CORPORATION		33,333			33,333	0.1330	4,433
OPMA	ORIENTAL PETROLEUM & MINERALS "A"		223,110,805			223,110,805	0.0074	1,651,020
OPMB	ORIENTAL PETROLEUM & MINERALS "B"		77,052,686			77,052,686	0.0075	577,895
ORE	ORIENTAL PENINSULA RESOURCES GRP.		274,230			274,230	0.4400	120,670

CODE	NAME OF ISSUER	STOCK NAME	VOLUME	TRANSFER OFFICE	LOCATION		MARKET PRICE	MARKET VALUE
					PCD	TOTAL NO. OF SHARES		
OV	THE PHILORILL CORP.		78,232,200			78,232,200	0.0075	586,742
PAL	PAL HOLDINGS, INC.		39,946			39,946	4.9500	197,733
PHB	PHILIPPINE BUSINESS BANK		388,911			388,911	9.7000	3,772,437
PHC	PHIL. BANK OF COMMUNICATIONS		200			200	15.5800	3,116
PCDR	PETRON CORPORATION		3,645,729			3,645,729	2.4300	8,855,121
PCP	PICOP RESOURCES, INC.		453,420			453,420	0.2050	92,951
PERC	PETROENERGY RESOURCES CORP.		40,060			40,060	3.4500	138,207
PGOLD	PUREGOLD PRICE CLUB, INC.		2,985,400			2,985,400	30.8500	92,099,590
PHA	PREMIERE HORIZON ALLIANCE CORP.		11,962,000			11,962,000	0.1740	2,081,388
PHC	PHILCOMSAT HOLDINGS CORP.		25,000			25,000	1.4000	35,000
PHCS	PHILIPPINE ESTATES CORP.		2,874,000			2,874,000	0.2550	732,870
PHN	PHINMA CORPORATION		2,174,697			2,174,697	19.0000	41,319,243
PHR	PH RESORTS GROUP HOLDINGS, INC.		11,618,000			11,618,000	0.5400	6,273,720
PIZZA	SHANEYS PIZZA ASIA VENTURES, INC.		302,600			302,600	7.9900	2,417,774
PLUS	DIGIPLUS INTERACTIVE CORP.		1,183,300			1,183,300	27.1500	32,126,595
PMPC	PANASONIC MFG. PHILIPPINES CORP.		448,200			448,200	5.4800	2,456,136
PMI	PRIME TOWN PROPERTY GROUP, INC.		2,000			2,000	0.3700	740
PNB	PHILIPPINE NATIONAL BANK		1,126,529			1,126,529	27.7000	31,204,853
PNC	PHIL. NATL. CONSTRUCTION CORP.		7,102			7,102	4.9000	34,800
PNX	PHODERIX PETROLEUM PHILS., INC.		37,759			37,759	4.1700	157,455
PNCB	PHOENIX PET. PHILS. - SUBSERIES 3B		16,510			16,510	24.9500	411,925
PNK4	P-H-O-E-N-I-X PETROLEUM PHILS, INC.		436,455			436,455	177.9000	77,645,345
PPC	PRICE CORPORATION		823,700			823,700	10.6800	8,797,116
PPI	PHILTOWN PROPERTIES, INC.					1,008,177		
PREIT	PREMIERE ISLAND POWER REIT CORPORATION					62,906,000	2.2800	139,132,760

CODE	NAME OF ISSUER	STOCK NAME	VAULT	TRANSFER PRICE	LOCATION		MARKET PRICE	MARKET VALUE
					PCD	TOTAL NO. OF SHARES		
PRFB	PETRON SERIES 3B PREFERRED SHARES				314,590	314,590	1,030.0000	324,027,700
PRFA	PETRON CORPORATION SERIES 4A PREFERRED SHARES				348,945	348,945	1,005.0000	340,639,725
PRFB	PETRON CORPORATION SERIES 4B PREFERRED SHARES				111,550	111,550	1,020.0000	113,781,000
PRFC	PETRON CORPORATION SERIES 4C PREFERRED SHARES				538,315	538,315	1,043.0000	561,862,545
PRFD	PETRON CORPORATION SERIES 4D PREFERRED SHARES				374,920	374,920	1,050.0000	393,666,000
PRFE	PETRON CORPORATION SERIES 4E PREFERRED SHARES				219,850	219,850	1,050.0000	230,842,500
PRFM	PRIME MEDINA HOLDINGS				3,233,100	3,233,100	2.1300	6,888,503
PRNX	PRIMEX CORPORATION				4,830,000	4,830,000	1.8100	8,742,300
PSB	PHILIPPINE SAVINGS BANK				29,428	29,428	58.2000	1,712,710
PSE	THE PHIL. STOCK EXCHANGE, INC.		10		7,970	7,980	164.0000	1,308,720
PTC	PHIL. TRUST COMPANY				1,570	1,570	119.0000	186,830
PTT	PT&T CORP.				37,219	37,219	0.3300	12,282
PX	PHILEX MINING CORP.				6,649,313	6,649,313	2.7500	18,551,583
PXP	PXP ENERGY CORPORATION				1,432,534	1,432,534	2.8700	4,111,373
RCB	RIZAL COMMERCIAL BANKING CORP.				288,008	288,008	23.8500	6,868,991
RCI	ROXAS AND COMPANY, INC.				479,409	479,409	2.7200	1,303,902
RCR	RL Commercial REIT, Inc.				76,469,290	76,469,290	5.8500	447,345,347
REDC	REPOWER ENERGY DEVELOPMENT CORPORATION				160,051,759	160,051,800	5.1000	816,264,180
REG	REPUBLIC GLASS HDGS CORP.		1		2,010	2,010	2.7500	5,528
RFM	RFM CORPORATION				374,395	374,395	3.8700	1,448,909
RIC	ROBINSONS LAND CORP.				2,818,904	2,818,904	13.3000	37,491,423
RLT	PHIL. REALTY HDGS CORP.				326,093	326,093	0.1200	39,131
ROCK	ROCKWELL LAND CORP.				945,163	945,163	1.5100	1,427,196
ROK	ROXAS HOLDINGS, INC.				240,956	240,956	1.6500	349,186
RPC	REYNOLDS PHILS. CORP.				4,285	4,285		

CODE	NAME OF ISSUER	STOCK NAME	VAULT	LOCATION		TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
				TRANSFER OFFICE	PCD			
RHFI	ROBINSONS RETAIL H. DGS., INC.				293,640	293,640	36.0000	10,571,040
SBS	SBS PHILIPPINES CORP.				996,300	996,300	4.9500	4,931,685
SIC	SEVIRARA MINING AND POWER CORP.				2,897,800	2,897,800	34.9000	101,133,220
SCM	SCM				2,174	2,174		
SEC8	SECURITY BANK CORP.				1,705,336	1,705,336	87.0000	148,364,232
SEVN	PHIL. SEVEN CORPORATION				2,000	2,000	67.8000	135,600
SFI	SWIFT FOODS, INC.				12,809,147	12,809,147	0.0560	742,931
SHIP	SWIFT FOODS, INC. CONVERTIBLE PREF.				218	218	1.7400	379
SGL	SOLID GROUP, INC.				27,621,000	27,621,000	1.0300	28,449,630
SGP	SYNERGY GMD DEVT. PHILS. INC.				5,224,400	5,224,400	9.8000	51,199,120
SHLP	SHELL PHILIPPINES CORPORATION				435,000	435,000	7.5000	3,262,500
SHNG	SHANG PROPERTIES, INC.				373,472	373,472	3.3400	1,471,480
SIF	SUN LIFE FINANCIAL INC.				1,636	1,636	3,028.0000	4,953,808
SU	STA. LUCIALAND, INC.				5,000	5,000	2.9000	14,500
SM	SM INVESTMENTS CORP.				78,592	78,592	899.0000	70,654,208
SMC	SM MANGUEL CORPORATION				774,365	774,365	86.0000	66,595,390
SMC2F	SMC SERIES 2 PREF. SUBSERIES "2-F"				424,780	424,780	73.1000	31,136,374
SMC2J	SMC SERIES 2 PREF. SUBSERIES "2-J"				820,100	820,100	72.1500	59,252,225
SMC2K	SMC SERIES 2 PREF. SUBSERIES "2-K"				3,514,350	3,514,350	70.5000	247,761,675
SMC2L	SMC SERIES 2 PREF. SUBSERIES "2-L"				2,848,540	2,848,540	70.0000	199,397,800
SMC2N	SMC SERIES 2 PREF. SUBSERIES "2-N"				10,219,040	10,219,040	77.6500	793,508,456
SMC2O	SMC SERIES 2 PREF. SUBSERIES "2-O"				2,249,660	2,249,660	79.7000	179,197,902
SMFH	SM PRIME HOLDINGS, INC.				9,494,270	9,494,270	82.3000	781,378,421
SOC	SOCRESOURCES, INC.				6,393,301	6,393,301	25.1500	160,791,520
					368,000	368,000	0.1840	67,112

NAME OF ISSUER			LOCATION				
CODE	STOCK NAME	VOLUME	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES	MARKET PRICE	MARKET VALUE
SPC	SPC POWER CORPORATION			513,700	513,700	9.0100	4,628,437
SPM	SEARHONT RESOURCES CORP.			14,322	14,322	1.5100	21,626
SPNEC	SP NEW ENERGY CORPORATION	650,000,000		2,836,000,821	3,486,000,821	1.0200	3,555,720,837
SSI	SSI GROUP, INC.			462,000	462,000	3.1800	1,469,160
STI	STI EDUCATION SYSTEMS HLDGS., INC.			4,664,000	4,664,000	1.3400	6,249,760
STM	STENIEL MANUFACTURING CORP.			144,900	144,900	1.5700	227,493
STR	VISTAMALLS, INC.			146,000	146,000	1.4700	214,620
SUN	SUNTRUST RESORT HOLDINGS, INC.			3,697,550,795	3,697,550,795	0.9000	3,327,795,716
SWM	SANITARY WARES MFG. CORP.			800	800		
T	T&C METALS CORP.			112,000	112,000	0.2900	32,480
TBGI	TRANSPACIFIC BROADBAND			11,786,000	11,786,000	0.1350	1,591,110
TCBZA	CIRTEK HOLDINGS PH CORPORATION			3,552,340	3,552,340	32.3932	115,071,660
TCBLC	CIRTEK HLDGS PHL CORP. Subseries 2C Pref Class B-2			925,700	925,700	46.1000	42,674,770
TCBUD	CIRTEK HLDGS PHL CORP. Subseries 2D Pref Class B-2			4,212,000	4,212,000	46.1000	194,173,200
TECH	CIRTEK HOLDINGS PHILS. CORP			5,793,205	5,793,205	1.3200	7,647,031
TEL	FILOT INC.			174,599	174,599	1,295.0000	226,105,705
TFH	TOP FRONTIER INV. HLDGS., INC.			14,421	14,421	63.1000	909,965
TUGS	HARBOR STAR SHIPPING SERVICES, INC.			107,000	107,000	0.6200	66,340
UBP	UNION BANK OF THE PHILS. INC.			484,618	484,618	36.0000	17,446,248
UNI	UNION RESOURCES & HLDGS CO., INC	201,000		201,000	201,000	0.2460	49,446
UP	UNIVERSAL NIGHTFIELD PROP.			148,000	148,000		
UPM	UNITED PARAGON MNG. CORP.			25,587,500	25,587,500	0.0028	71,645
UPSON	UPSON INTERNATIONAL CORP.			610,000	610,000	0.6690	414,800
URC	UNIVERSAL ROBINA CORP.			1,365,266	1,365,266	79.0000	107,856,014
UVW	UNIWICE HOLDINGS, INC.	1,008,000			1,008,000		

CODE	NAME OF ISSUER	STOCK NAME	LOCATION				MARKET PRICE	MARKET VALUE
			VAULT	TRANSFER OFFICE	PCD	TOTAL NO. OF SHARES		
V	VANTAGE EQUITIES, INC.				80,250	80,250	0.7000	56,175
VITA	VITAMIN CORPORATION				14,911,700	14,911,700	0.5400	8,052,318
VIL	VISTA LAND & LIFESCAPES, INC.				3,584,000	3,584,000	1.4800	5,304,320
VILLA	VISTA LAND & LIFESCAPES, INC. SERIES 2A PREFERRED SHARES				2,488,790	2,488,790	102.0000	253,856,580
VILLB	VISTA LAND & LIFESCAPES, INC. SERIES 2B PREFERRED SHARES				1,285,670	1,285,670	102.5000	131,781,175
VANC	VICTORIAS MILLING CO., INC.				1,420,204	1,420,204	2.0000	2,840,408
VREIT	VISCARETT, Inc.				136,423,857	136,423,857	1.8900	257,841,090
VVT	VIVANT CORPORATION				11,900	11,900	18.0200	214,438
WEB	PHILWEB CORPORATION				1,053,400	1,053,400	1.4000	1,474,760
WHI	WISE HOLDINGS, INC. "A"				116,249	116,249		
WIN	WELTEK INDUSTRIES, INC.				452,000	452,000	0.2110	95,372
WICDN	WILCOX DEPOT, INC.				2,473,500	2,473,500	14.3000	35,371,050
X	XURPAS INC.				1,277,500	1,277,500	0.1820	232,505
XG	NEXGEN ENERGY CORP.				978,000	978,000	2.4700	933,660
ZHI	ZEUS HOLDINGS, INC.				230,000	230,000	0.0720	16,560
TOTAL			651,008,111	10,883,286,090	10,491,840,874	22,026,135,075		47,351,028,464

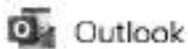
SUMMARY:		SHARES
VAULT 1		651,008,111
VAULT 2		
VAULT 3		
TRANSFER OFFICE		10,883,286,090
PCD		10,491,840,874
GRAND TOTAL		22,026,135,075

CHINA BANK SECURITIES CORPORATION
(A WHOLLY OWNED SUBSIDIARY OF CHINA BANK CAPITAL CORPORATION)
SCHEDULE SHOWING FINANCIAL SOUNDNESS INDICATORS IN TWO COMPARATIVE
PERIODS UNDER REVISED SRC RULE 68
DECEMBER 31, 2024

Ratio	Formula	2024	2023
		Amounts in P millions, except for the ratios	
Current ratio		158.37%	138.98%
	$\frac{\text{Current assets}}{\text{Current liabilities}}$	$\frac{372}{235}$	$\frac{295}{212}$
Asset-to-equity ratio		209.36%	268.92%
	$\frac{\text{Total assets}}{\text{Total equity}}$	$\frac{464}{221}$	$\frac{344}{128}$
Profitability ratios			
Return on capital		(2.39%)	(24.09%)
	$\frac{\text{Net loss}}{\text{Average share capital}^*}$	$\frac{(5)}{213}$	$\frac{(39)}{163}$
Return on equity		(2.91%)	(26.61%)
	$\frac{\text{Net loss}}{\text{Average total equity}^*}$	$\frac{(5)}{175}$	$\frac{(39)}{147}$
Return on asset		(1.26%)	(8.32%)
	$\frac{\text{Net loss}}{\text{Average total assets}^*}$	$\frac{(5)}{404}$	$\frac{(39)}{471}$

*Average balance represents the sum of the balance of respective account at beginning and end of year divided by two

The Company has no debt or borrowings as of December 31, 2024 and 2023. Accordingly, no solvency ratio and interest rate coverage ratio are presented.



Outlook

Your BIR AFS eSubmission uploads were received

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

Date Thu 4/24/2025 4:55 PM

To Marie Catherine T. Manarpiis <mctmanarpiis@chinabank.ph>

Cc Marie Catherine T. Manarpiis <mctmanarpiis@chinabank.ph>

Hi CHINA BANK SECURITIES CORPORATION,

Valid files

- EAFS000333279OTHTY122024.pdf
- EAFS000333279TCRTY122024-01.pdf
- EAFS000333279ITRTY122024.pdf
- EAFS000333279AFSTY122024.pdf
- EAFS000333279RPTTY122024.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-2P2Z4ZVR0MP3VVXYQPMQ1T2Z20QQYZTWRX**

Submission Date/Time: **Apr 24, 2025 04:55 PM**

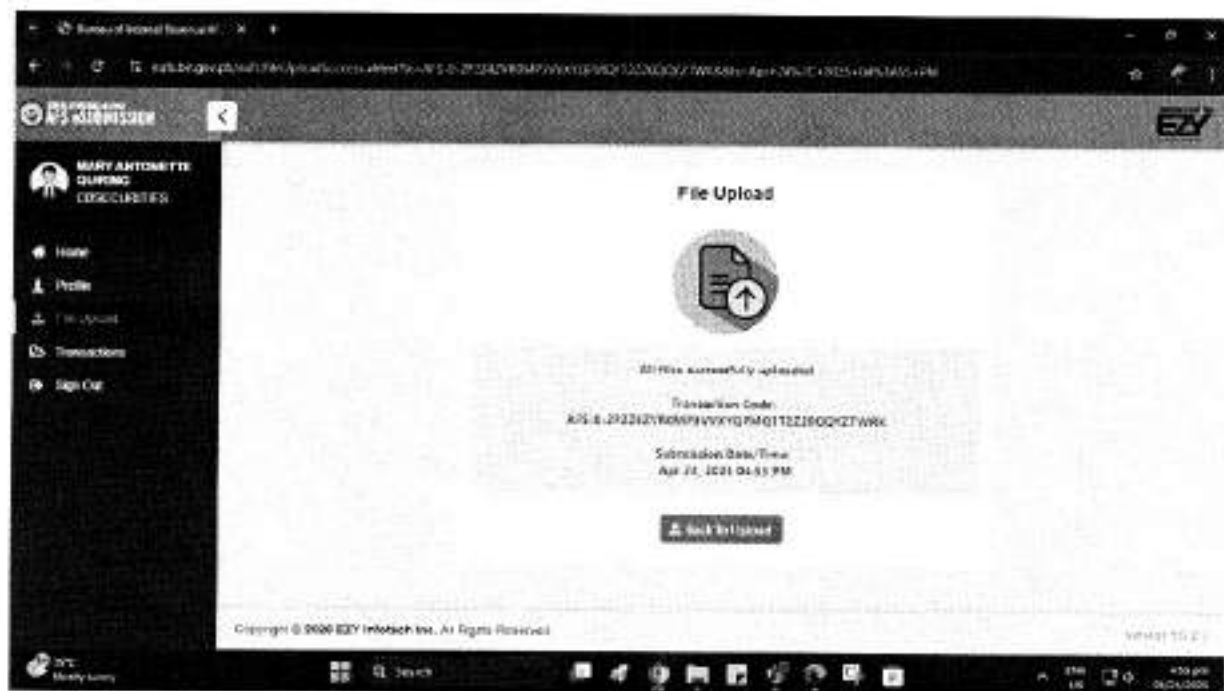
Company TIN: **000-333-279**


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- 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.

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CHINA BANK SECURITIES CORPORATION





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Upload Date	Document Type	File Name	File Size (MB)	Page Count	PDF (kb)
April 24, 2025 4:15:22 PM	OTHER	SAF00000337937877122024.pdf	0.792523	4	✓
April 24, 2025 4:09:22 PM	PS	SAF00000337937877122024.pdf	1.499021	2	✓
April 24, 2025 4:05:22 PM	PDF	SAF00000337937877122024.pdf	1.289124	3	✓
April 24, 2025 4:05:22 PM	APR	SAF00000337937877122024.pdf	22.039100	15	✓
April 24, 2025 4:05:22 PM	TCE_1	SAF00000337937877122024-01.pdf	25.807045	49	✓

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3 kb

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SAFARI ANTONIO TTE. GURUNG

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Bureau of Internal Revenue
Republic of the Philippines

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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

FILING REFERENCE NO.

TIN	: 000-333-279-000
Name	: CHINA BANK SECURITIES CORPORATION
RDO	: 050
Form Type	: 1702
Reference No.	: 462500065254694
Amount Payable (Over Remittance)	: -5,713,850.00
Accounting Type	: C - Calendar
For Tax Period	: 12/31/2024
Date Filed	: 04/10/2025
Tax Type	: IT

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Reference No : 462500085254694
Date Filed : April 10, 2025 04:09 PM
Batch Number : 0



Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

For BIR Use Only: BIR Form No. 1702-RT
January 2018 (ENC5)
Page 1

Annual Income Tax Return

For Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate
Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X".
Two Copies MUST be filed with the BIR and one held by the taxpayer.



1702-RT 001/ENC5 P1

1 For: <input type="radio"/> Calendar <input type="radio"/> Fiscal	3 Amended Return? <input type="radio"/> Yes <input type="radio"/> No	4 Short Period Return? <input type="radio"/> Yes <input type="radio"/> No	5 Alphabetic Tax Code (ATC) IC005 <input type="checkbox"/> Minimum Corporate Income Tax (MCIT) IC010 <input checked="" type="checkbox"/> DOMESTIC CORPORATION IN GENERAL
2 Year Ended (MM/20YY) 12/2024			

Part I - Background Information

6 Taxpayer Identification Number (TIN) 000 - 333 - 279 - 096	7 RPD Code 050
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) CHINA BANK SECURITIES CORPORATION	
9A Registered Address (Indicate complete registered address) 28TH FLOOR BDO EQUITABLE PASEO DE ROXAS CITY OF MAKATI, NCR, FOURTH DI	
9B Zipcode 1220	
10 Date of Incorporation/Organization (MM/DD/YYYY) 12/06/1978	
11 Contact Number 8955835	12 Email Address chscoms@bdo.com

13 Method of Deductions <input checked="" type="radio"/> Itemized Deductions (Section 34 (A-J), NIRC) <input type="radio"/> Optional Standard Deduction (OSD) - 40% of Gross Income (Section 34(L), NIRC as amended by RA No. 9504)

Part II - Total Tax Payable (Do NOT enter Credits)

14 Total Income Tax Due (Overpayment) (From Part IV Item 43)	673,550
15 Less: Total Tax Credits/Payments (From Part IV Item 53)	6,303,400
16 Net Tax Payable (Overpayment) (Item 14 Less Item 15) (From Part IV Item 56)	(5,713,850)
Add Penalties	
17 Surcharge	0
18 Interest	0
19 Compromise	0
20 Total Penalties (Sum of Items 17 to 19)	0
21 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Item 16 and 20)	(5,713,850)
If Overpayment, mark "X" and box only (Once the choice is made, the same is irrevocable): To be refunded <input type="checkbox"/> To be issued as Tax Credit Certificate (TCC) <input type="checkbox"/> To be carried over as tax credit next year/quarter <input type="checkbox"/>	

We declare under the penalties of perjury that the above information is true and correct to the best of our knowledge and belief, to be true and correct pursuant to the provisions of the National Internal Revenue Code, its amendments, and the regulations thereunder, and we authorize the Bureau of Internal Revenue to use the information for the purpose of assessing, collecting, and enforcing the tax.


MARIBOL M. TECORO - PRESIDENT & CEO Signature over official stamp of President/Principal Officer/Authorized Representative		ANNABELLE L. GELSON - TREASURER Signature over official stamp of Treasurer/Assistant Treasurer		22 Number of Attachments 4
Title of Signatory	TIN	Title of Signatory	TIN	


Part III - Details of Payment

Particulars	Cheque/Check Agency	Number	Date (MM/DD/YYYY)	Amount
23 Cash/Bank Debit Memo				0
24 Check				0
25 Tax Debit Memo				0
26 Others (Specify Below)				0

Machine Validation/Revenue Official Receipts Details (If not filed with an Authorized Agent Bank)	Stamp of receiving Office/ASB and Date of Receipt (R/O's Signature/Bank Officer's initial)
---	--

BIR Form No. 1702-RT January 2018 (ENCS) Page 2		Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate		 1702-RT 01/18 ENCS P2	
Taxpayer Identification Number (TIN) 000 - 333 - 279 - 000			Registered Name CHINA BANK SECURITIES CORPORATION		
Part IV - Computation of Tax (Do NOT enter Centavo)					
27 Sales/Receipts/Revenue/Fees				71,727,803	
28 Less: Sales Returns, Allowances and Discounts				0	
29 Net Sales/Receipts/Revenue/Fees (Item 27 Less Item 28)				71,727,803	
30 Less: Cost of Sales/Services				37,749,305	
31 Gross Income from Operation (Item 29 Less Item 30)				33,977,898	
32 Add: Other Taxable Income Not Subjected to Final Tax				0	
33 Total Taxable Income (Sum of Items 31 and 32)				33,977,898	
Less: Deductions Allowable under Existing Law					
34 Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 28)				45,359,754	
35 Special Allowable Itemized Deductions (From Part VI Schedule II Item 5)				0	
36 NOLCO (only for those taxable under Sec. 27(A to C); Sec. 28(A)(1) & (A)(6)(b) of the tax Code) (From Part VI Schedule III Item 8)				0	
37 Total Deductions (Sum of Items 34 to 36)				45,359,754	
OR, in case taxable under Sec. 27(A) & 28(A)(1),					
38 Optional Standard Deduction (40% of Item 33)				0	
39 Net Taxable Income(Loss) (If itemized: Item 33 Less Item 37; if OSD: Item 33 Less Item 38)				(12,381,856)	
40 Applicable Income Tax Rate				25%	
41 Income Tax Due other than Minimum Corporate Income Tax (MCIT) (Item 39 x Item 40)				0	
42 MCIT Due (2% of Item 33)				679,558	
43 Tax Due (Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher) (To Part II Item 14)				679,558	
Less: Tax Credits/Payments (attach and)					
44 Prior Year's Excess Credits Other Than MCIT				4,666,099	
45 Income Tax Payment under MCIT from Previous Quarter				0	
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter's				0	
47 Excess MCIT Applied this Current Taxable Year (From Part VI Schedule IV Item 4)				0	
48 Creditable Tax Withheld from Previous Quarter's per BIR Form No. 2307				333,000	
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter				1,355,643	
50 Foreign Tax Credits, if applicable				0	
51 Tax Paid in Return Previously Filed, if this is an Amended Return				0	
52 Special Tax Credits (To Part V Item 39)				0	
Other Credits/Payments (Specify)					
53				0	
54				0	
55					
56 Total Tax Credit/Payments (Sum of Items 44 to 54) (To Part II Item 15)				6,354,742	
57 Net Tax Payable / (Overpayment) (Item 43 Less Item 56) (To Part II Item 16)				(5,713,850)	
Part V - Tax Relief Availment					
58 Special Allowable Itemized Deductions (Item 35 of Part IV x Applicable Income Tax Rate)				0	
59 Add: Special Tax Credits (From Part IV Item 52)				0	
60 Total Tax Relief Availment (Sum of Items 58 and 59)				0	

BIR Form No. 1702-RT January 2018 (ENC2) Page 3	Annual Income Tax Return Corporation, Partnerships and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENC2 P3
Taxpayer Identification Number (TIN) 000 - 888 - 279 - 000		Registered Name CHINA BANK SECURITIES CORPORATION
Schedule I - Ordinary Allowable Itemized Deductions (Attach additional sheets, if necessary)		
1 Amortizations		0
2 Bad Debts		0
3 Charitable Contributions		0
4 Depletion		0
5 Depreciation		1,232,976
6 Entertainment, Amusement and Recreation		717,276
7 Fringe Benefits		0
8 Interest		0
9 Losses		0
10 Pension Trust		0
11 Rental		0
12 Research and Development		0
13 Salaries, Wages and Allowances		0
14 SSS, GSIS, Philhealth, HDMF and Other Contributions		0
15 Taxes and Licenses		248,177
16 Transportation and Travel		796,306
17 Others (Deductions Subject to Withholding Tax and Other Expenses) (Specify below; Add additional sheets, if necessary)		
a Janitorial and Messengerial Services		1,136,038
b Professional Fees		678,814
c Security Services		0
d MANAGEMENT FEES		1,000,000
e MEMBERSHIP FEES AND DUES		33,750
f BANK CHARGES		5,696
g INSURANCE		951,070
h TELEPHONE AND COMMUNICATION		5,212,568
i OTHERS		36,546,838
<input type="checkbox"/>		
18 Total Ordinary Allowable Itemized Deductions (Sum of items 1 to 17s (To Part IV Item 34))		40,368,754
Schedule II - Special Allowable Itemized Deductions (Attach additional sheets, if necessary)		
Description	Legal Basis	Amount
1		0
2		0
3		0
4		0
<input type="checkbox"/>		
5 Total Special Allowable Itemized Deductions (Sum of items 1 to 4; (To Part IV Item 35))		0

BIR Form No. 1702-RT January 2018 (NCS) Page 4		Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate		 1702-RT 01/18/NCSP4	
Taxpayer Identification Number (TIN)			Registered Name		
000 - 533 - 275 - 000			CHINA BANK SECURITIES CORPORATION		
Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)					
1 Gross Income (From Part IV, Item 33)			33,977,898		
2 Less: Ordinary Allowable Itemized Deductions (From Part VI, Schedule I, Item 13)			48,358,754		
3 Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 7A)			(12,381,856)		
Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) (DO NOT enter Grossing; do not enter Loss 000s Always 00 in every column)					
Net Operating Loss			B) NOLCO Applied Previous Year		
Year Incurred		A) Amount			
4 2024		12,381,856	0		
5		0	0		
6		0	0		
7		0	0		
Continuation of Schedule IIIA (Item numbers continue from table above)					
C) NOLCO Expired		D) NOLCO Applied Current Year	E) Net Operating Loss (Unapplied) (E = A Less (B + C + D))		
4		0	12,381,856		
5		0	0		
6		0	0		
7		0	0		
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV, Item 35)		0		0	
Schedule IV - Computation of Minimum Corporate Income Tax (MCIT)					
Year	A) Normal Income Tax as adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax		
1 2023	202,506	411,468	208,962		
2	0	0	0		
3	0	0	0		
Continuation of Schedule IV (Item numbers continue from table above)					
D) Excess MCIT Applied/Used in Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Successing Years (G = C Less (D + E + F))		
1	0	0	208,962		
2	0	0	0		
3	0	0	0		
Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV, Item 47)		0		0	
Schedule V - Reconciliation of Net Income per Books Against Taxable Income (attach additional sheets, if necessary)					
1 Net Income(Loss) per books			(5,086,520)		
Add: Non-deductible Expenses/Taxable Other Income					
2 PROVISION FOR INCOME TAX			2,185,391		
3 OTHERS			3,324,475		
4 Total (Sum of Items 1 to 3)			423,346		
Less: A) Non-Taxable Income and Income Subjected to Final Tax					
5 INTEREST INCOME SUBJECT TO FINAL TAX			7,501,310		
6 OTHERS			5,284,360		
7 Total (Sum of Items 5 to 6)			12,805,402		
8 Net Taxable Income(Loss) (Item 4 Less Item 7)			(12,381,856)		


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

The Management of **CHINA BANK SECURITIES CORPORATION** (herein referred to as "the Company") is responsible for all information and representations contained in the **Annual Income Tax Return** for the year ended **December 31, 2024**. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period including, but not limited to, the value-added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended December 31, 2024 and the accompanying Annual Income Tax Return are in accordance with the books and records of the Company, complete and correct in all material respects. Management likewise affirms that:


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

Signature: _____


RYAN MARTIN L. TAPIA
Chairman of the Board

Date: _____

Signature: _____


MARISOL M. TEODORO
President and CEO

Date: _____

SWORN DECLARATION

REPUBLIC OF THE PHILIPPINES
CITY OF MAKATI
METRO MANILA

I, **MARISOL M. TEODORO**, Filipino, of legal age, designated as President and CEO of China Bank Securities Corporation, with business address at 28th Floor BDO Equitable Tower, 8751 Pasco de Roxas, Brgy. Bel-Air, Makati City do hereby certify the following:

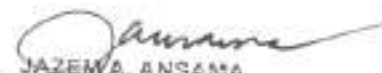
- That in compliance with the requirements of Revenue Regulations No. 02-2015, submitted herewith is **one DVD-R** containing **forty-eight scanned copies of BIR Form 2307** covering the quarter ended 12/31/2024.
- That the contents of DVD-R being submitted herewith conform to the conditions/specification requirements set by the Bureau of Internal Revenue.
- That the soft copies of the BIR Form 2307 contained in the DVD-R being submitted herewith are the complete and exact copies of the original thereof.

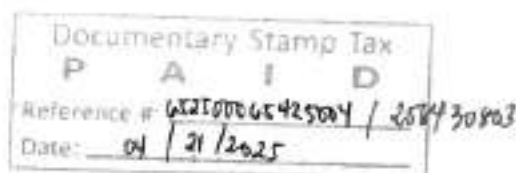
I HEREBY DECLARE UNDER THE PENALTIES OF PERJURY THAT THE FOREGOING ATTESTATIONS ARE TRUE AND CORRECT.


MARISOL M. TEODORO
President and CEO
123-466-958-000

Subscribed and sworn to before me, in the City/Municipality of MAKATI, this day of APR 21, 2025 by Marisol M. Teodoro, with Unified Multi-purpose ID CRN: 0003-7109134-0.

Doc No. 44
Page No. 10
Book No. 25
Series of 2025


JAZEM A. ANSANA
Notary Public for Makati City
Appl. No. M-138 until 31 December 2026
4/F Philcom Building
8755 Pasco de Roxas
NOTARY PUBLIC
PTR No. 10476511; 01-08-2025; Makati City
IBP No. 473631; 10-30-2024; Makati Chapter
MGLS Compliance No. VLD-0009560; 06-10-2024
Roll of Attorney's No. 88624



eSubmission Validation Report

From eSubmission <esubmission@bir.gov.ph>

Date Tue 4/15/2025 3:48 PM

To CBSEC - TAX DEPARTMENT <cbsectaxdept@chinabank.ph>

ACKNOWLEDGEMENT RECEIPT NUMBER: 20250415-1306241

This is to confirm receipt of the file(s) as stated below:

Total attachment/file(s) received : 1

No. of valid file(s) : 1

No. of invalid file(s) : 0

We have validated your submission in compliance with existing BIR regulations.

Find below the details of your submission:

Date of Submission: 04/10/2025 4:30:13 PM

Filename(s):

1. Attachment : 00033327900001220241702.DAT

00033327900001220241702.DAT - VALID

CONFIRMATION RECEIPT NUMBER - 2025-0000703276

VALIDATION REPORT:

1. Attachment : 00033327900001220241702.DAT

TIN of Withholding Agent TIN: 000333279-0000

Alphalist Form : 1702

Taxable Month : 12/2024

LINE NUM	SCHEDULE	ERROR DESCRIPTION
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0000000000		No Errors Encountered
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PLEASE BE INFORMED THAT THIS IS THE FINAL EMAIL ON THE VALIDATION PROCESS OF YOUR SUBMISSION. HOWEVER, A VALIDATION OF THE TIN OF THE WITHHOLDING AGENT WILL STILL BE UNDERTAKEN. ACCORDINGLY, PLEASE ENSURE THAT THE TIN IS VALID FOR A SUCCESSFUL SUBMISSION OF YOUR ALPHALIST (OR SLSP, AS THE CASE MAY BE).

Thank You.

This is a system generated report. For inquiries, please email us at contact_us@bir.gov.ph or call us at (2) 8538-3200

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BIR Form No.

1709

December 2020 (ENCS)
Page 1

INFORMATION RETURN ON TRANSACTIONS WITH RELATED PARTY (FOREIGN AND/OR DOMESTIC)

Enter all required information in CAPITAL LETTERS using BLACK ink. Mark applicable boxes with an "X".
Two copies must be filed with the BIR and one held by the Taxpayer.

1709 12/20/ENCS P1

 1 For the ☒ Calendar ☐ Fiscal 2 Year Ended (MM/YYYY) 1 2 2 0 2 4 3 Number of Sheet/s Attached 0 0 0

Part I – Background Information

4 Taxpayer Identification Number (TIN) 0 0 0 / 3 3 3 / 2 7 9 / 0 0 0 0 0 5 RDO Code 0 5 0

6 Taxpayer's Name (Last Name, First Name, Middle Name for Individual OR Registered Name for Non-individual)

CHINA BANK SECURITIES CORPORATION

7 Registered Address (Indicate complete address. If branch, indicate the branch address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1565)

2 8 T H F L O O R B D O E Q U I T A B L E P A S E O D E R O X A S

B R G Y B E L - A I R M A K A T I C I T Y 7 A ZIP Code 1 2 2 6

8 Contact Number (Landline/Cellphone No.) 9 Email Address

8 8 8 5 5 5 5 5 c b s e c t a x d e p t @ c h i n a b a n k . p h

Part II – Details of Related Parties

(Fill out the table properly. Write N/A if not applicable and use additional sheet/s, if necessary)

A. Foreign Related Parties

Name	Nature of Relationship	Country of Residence	Foreign TIN	Local TIN	With Permanent Establishment (PE) in the Philippines? (Yes/No)	TIN of PE
NOT APPLICABLE						

B. Domestic Related Parties

Name	Nature of Relationship	TIN	Registered Address
CHINA BANKING CORPORATION	ULTIMATE PARENT	000-444-210-0000	8745 PASEO DE ROXAS CORNER VILLAR ST., MAKATI CITY
CHINA BANK CAPITAL CORPORATION	PARENT	009-171-347-0000	28TH FLOOR 800 EQUITABLE TOWER 8751 PASEO DE ROXAS
CBC PROPERTIES AND COMPUTER CENTER INC.	AFFILIATE	000-335-224-0000	CBC BLDG. 8745 PASEO DE ROXAS CORNER VILLAR ST., MAKATI CITY

Part III – Related Party Transactions

A. Sale of Goods and Provisions of Services

Name of Related Party	Description and Type of Transactions	Amount in Foreign Currency (if applicable)	Amount (in Php)	Were you granted treaty benefit in the source country? (Yes/No)	Income Tax Withheld by the Income Payor
CHINA BANKING CORPORATION	COMMISSION INCOME FROM BROKERAGE	NOT APPLICABLE	1,962,294	NO	294,344
CHINA BANK CAPITAL CORPORATION	COMMISSION INCOME FROM BROKERAGE	NOT APPLICABLE	345,136	NO	51,770
CHINA BANK CAPITAL CORPORATION	MARKETING FEES & RESEARCH SERVICES	NOT APPLICABLE	17,555,301	NO	351,106

B. Purchase of Goods and Services Except Those Provided by Key Management Personnel (KMP)

Name of Related Party	Description and Type of Transactions	Amount in Foreign Currency (if applicable)	Amount (in Php)	Did the income recipient claim treaty benefit? (Yes/No)	Was a TTRA filed therefor? (Yes/No)	Income Tax Withheld by the Income Payor (if any)	Is the income payment attributable to PE? (Yes/No)
CHINA BANKING CORPORATION	PAYMENT PER SLA	NOT APPLICABLE	1,000,000	NO	NO	150,000	NO
CBC PROPERTIES AND COMPUTER CENTER INC.	PAYMENT FOR POC SERVICES	NOT APPLICABLE	250,000	NO	NO	5,000	NO

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Page 2

INFORMATION RETURN ON TRANSACTIONS WITH RELATED PARTY (FOREIGN AND/OR DOMESTIC)



1709 12/20/ENCS P2

TIN	Registered Name
00033327900000	CHINA BANK SECURITIES CORP

Continuation of Part III**C. Loans Granted to or Non-Trade Receivable from (Related Parties)**

Name of Related Party	Opening Balance	Loans Granted During the Taxable Period	Terms and Conditions	Outstanding Balance as of the End of the Taxable Period	Provisions for Doubtful Debts (if any)*	Bad Debts Expense Recognized During the Period (if any)**
NOT APPLICABLE						

D. Loans Received from or Non-Trade Payable to (Related Parties)

Name of Related Party	Opening Balance	Loans Received During the Taxable Year	Terms and Conditions	Outstanding Balance as of the end of the Taxable Year
NOT APPLICABLE				

E. Other Related Party Transactions Excluding Compensation Paid to KMP, Dividends and Branch Profit Remittances

Name of Related Party	Description and Type of Transactions	Amount in Foreign Currency (if applicable)	Amount (in Php)
NOT APPLICABLE			

Part IV – Additional Disclosure**A. Brief business overview of the ultimate and immediate parent/s of the taxpayer**

China Banking Corporation (the Ultimate Parent Company) is a publicly listed universal bank incorporated in expanded commercial banking products and services.

China Bank Capital Corporation (the Parent) was incorporated in the Philippines on November 27, 2015 as an investment house.

B. Brief business overview/functional profile of the taxpayer

China Bank Securities Corporation is primarily engaged in broker-dealer activities.

CBC Properties and Computer Inc. (PCCI) was created on April 14, 1982 to provide computer-related services.


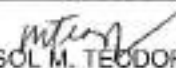
For the Ultimate Parent and Parent please see Section A above.

C. Has there been any change in your functional profile during the taxable period? If yes, provide details. ☐ Yes ☒ No

D. Has there been any change in your ownership structure during the taxable period? If yes, provide details. ☐ Yes ☒ No

E. Did you undergo business restructuring during the taxable period or for the last five (5) years? ☐ Yes ☒ No

If yes, provide details.

BIR Form No. 1709 December 2020 (ENCS) Page 3	INFORMATION RETURN ON TRANSACTIONS WITH RELATED PARTY (FOREIGN AND/OR DOMESTIC)	 1709 12/20ENCS P3
TIN 0 0 0 3 3 3 2 7 9 0 0 0 0 0	Registered Name CHINA BANK SECURITIES CORP	
Continuation of Part IV		
F. Have you prepared a Transfer Pricing Documentation (TPD) for the related party transactions as prescribed under Revenue Regulations No. 2-2013? The details of the TPD include, but are not limited to the following: Organizational Structure (b) Nature of the Business/Industry and Market Conditions; (c) Controlled Transactions; (d) Assumptions, Strategies, and Policies; (e) Cost Contribution Arrangement (CCA); (f) Comparability, Functional and Risk Analysis; (g) Selection of the Transfer Pricing Method (TPM); (h) Application of the TPM; (i) Background Documents; (j) Index to Documents.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
G. Do you have pending application/s for relief with the BIR or with the tax authority of other country/ies? If yes, provide details.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
H. Do you have an Advance Pricing Agreement (APA) with your related parties?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
We declare, under the penalties of perjury that this return has been made in good faith, and that, to the best of my/our knowledge and belief, all pieces of information provided in this return are correct, complete and true account of the related party transactions. Further, the required attachments to this return shall be made available during audit. Finally, I/we give my/our consent to the processing of my/our information as contemplated under Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012, for legitimate and lawful purposes. (If authorized representative, please attach an authorization letter.)		Stamp of receiving Office and Date of Receipt (RO's Signature)
 MARISOL M. TEODORO <small>PRESIDENT & CEO</small>		
Signature over Printed Name of Taxpayer/Authorized Representative/Tax Agent (Indicate Title and TIN)		
Tax Agent Accreditation Number/Atty.'s Roll Number (if applicable)		
Date of Issue (MM/DD/YYYY)	Date of Expiry (MM/DD/YYYY)	