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Industry Classification: J66930
Company Type: Stock Corporation

Document Information

Document ID: OST10411202583162097
Document Type: Annual Audited Financial Report
Document Code: SEC_Form_52-AR
Period Covered: December 31, 2024
Submission Type: Annual
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for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

CTS GLOBAL EQUITY GROUP, INC.

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

27/F East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City

Form Type	Department requiring the report	Secondary License Type, If Applicable
52AR	MSRD	Broker/Dealer

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
compliance@ctsglobalgroup.com	(02) 8 635-5735	N/A

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
4	Any Date in March	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Lawrence C. Lee	lawrence@ctsglobalgroup.com	(02) 8 635-5735	N/A

CONTACT PERSON'S ADDRESS

27/F East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City

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

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

CTS GLOBAL EQUITY GROUP, INC.
ANNUAL AUDITED FINANCIAL REPORT
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DECEMBER 31, 2024

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 SRC.

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

IDENTIFICATION OF BROKER OR DEALER			
Name of Broker/Dealer:	CTS Global Equity Group, Inc.		
Address of Principal Place of Business:	27/F East Tower Philippine Stock Exchange Centre, Exchange Road Ortigas Center, Pasig City		
Name and Phone Number of Person to Contact in Regard to this Report:			
Name: Lawrence C. Lee		Tel. No.:	(02) 8 635-5735
		Fax No.:	(02) 8 634-6696

IDENTIFICATION OF ACCOUNTANT		
Name of Independent Auditor whose opinion is contained in this report:		
Name: Reyes Tacandong & Co.	Tel. No.:	(02) 8 982-9100
	Fax No.:	(02) 8 982-9111
Address: 26th Floor BDO Towers Valero, 8741 Paseo de Roxas, Makati City		
MARK CHRISTIAN M. ABABA Partner CPA Certificate No. 130245 Tax Identification No. 287-809-533-000 BOA Accreditation No. 4782/P-027; Valid until June 6, 2026 BIR Accreditation No. 08-005144-026-2024 Valid until March 26, 2027 PTR No. 10467117 Issued January 2, 2025, Makati City		

CTS GLOBAL
EQUITY GROUP

CTS GLOBAL EQUITY GROUP, INC.
2701-B East Tower, Tektite Towers, Exchange Road,
Ortigas Center Pasig City 1605 Philippines
Trading Floor: (+632) 8-634-6976 Facsimile: (+632) 8-634-6696
Office: (+632) 8-635-5735 to 37
Helpdesk: (+632) 8-635-5735 Loc 407 to 408, inquiries@ctsglobalgroup.com
Website: www.ctsglobalgroup.com
PSE Trading Participant, SCCP & SIPF Member
Regulated by the SEC, Markets and Securities Regulation Department (msrdsubmission@sec.gov.ph)

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **CTS Global Equity Group, Inc.** (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

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

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

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

Reyes Tacandong & 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 stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Edward K. Lee
Chairman of the Board

Lawrence C. Lee
President

Edmund C. Lee
Chief Finance Officer

Signed this 14 th day of March 2025

SUBSCRIBED AND SWORN to before me this MAR 2 4 2025 2025, at Pasig City, affiants exhibited to me their respective passports, as follows:

Name	Passport No.	Date/Place Issued
Edward K. Lee	P5099380B	March 11, 2020/ DFA NCR East
Lawrence C. Lee	P6416803B	March 3, 2021/DFA NCR East
Edmund C. Lee	P8037570B	October 29, 2021/DFA Manila

ATTY. STEPHANIE FAYE B. REYES
For the Cities of Pasig, San Juan
and the Municipality of Pateros
Expiring on 31 December 2026
Appointment No. 82 (2025-2026) Pasig City
Roll No. 64239/IBP LRN 13768/RSM
PTR No. 3039915/01.03.25/Pasig City
MCLE Compliance No. VIII-0011510/04.14.28
2703C East Tower Tektite Towers (formerly PSE Centre), Exchange Road, Ortigas Center, Pasig City 1605

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Series of 2025

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
CTS Global Equity Group, Inc.
27/F East Tower, Philippine Stock Exchange Centre,
Exchange Road, Ortigas Center, Pasig City

Opinion

We have audited the financial statements of CTS Global Equity Group, Inc. doing business under the names and styles of CTS Global, CTS Global Equities, CTS Global Securities, CTS Securities, and Citisecurities (the Company), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years ended December 31, 2024, 2023, and 2022, and notes to the financial statements, including a summary of 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 ended December 31, 2024, 2023 and 2022 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audits 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the consolidated financial statements of the current period. These matters were addressed in the context of our audits of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for the Use of the Proceeds from the Initial Public Offering (IPO)
The shares of stock of the Company were listed in the Philippine Stock Exchange, Inc. on April 13, 2022. The proceeds from the IPO amounted to ₱1,353.3 million, net of offer expenses incidental to the IPO amounting to ₱21.7 million. The accounting for the use of the proceeds is significant to our audit because the unapplied proceeds amounting to ₱781.2 million, which are maintained in the Company's cash in bank and certain investments in government securities as at December 31, 2024 represent 34% of the total assets. Moreover, the Company is required to adhere to the use of the proceeds pursuant to the Offering Circular.

Our procedures included, among others, obtaining confirmation from the banks and examining the underlying documents to substantiate the cash in bank and investments in government securities, and checking the nature and validating the underlying documents supporting the actual disbursements of the proceeds.

Necessary disclosures are included in Note 1, *Corporate Information* and Note 4, *Financial Risk Management Objectives and Policies.*

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A, and Annual Report for the year ended December 31, 2024, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A, and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA 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, these 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 PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mark Christian M. Ababa.

REYES TACANDONG & CO.

Mark Christian M. Ababa

MARK CHRISTIAN M. ABABA
Partner
CPA Certificate No. 130245
Tax Identification No. 287-809-533-000
BOA Accreditation No. 4782/P-027; Valid until June 6, 2026
BIR Accreditation No. 08-005144-026-2024
Valid until March 26, 2027
PTR No. 10467117
Issued January 2, 2025, Makati City

March 14, 2025
Makati City, Metro Manila

CTS GLOBAL EQUITY GROUP, INC.

STATEMENTS OF FINANCIAL POSITION

		December 31					
		2024			2023		
			Security Valuation			Security Valuation	
	Note	Money Balance	Long	Short	Money Balance	Long	Short
ASSETS							
Current Assets							
Cash and cash equivalents	6	₱440,287,230			₱479,631,777		
Financial assets at fair value through profit or loss (FVPL)	7	65,382,724	₱65,382,724		6,922,944	₱6,922,944	
Trade receivables	8	440,150,621	69,949,250		389,213,791	14,603,187	
Other current assets	10	17,788,920			17,126,605		
Total Current Assets		963,609,495			892,895,117		
Noncurrent Assets							
Investments in government securities	9	1,251,635,729			1,254,194,118		
Intangible assets	11	4,668,775			2,813,671		
Property and equipment	12	13,407,642			12,569,216		
Investment property	13	8,356,726			8,999,549		
Net deferred tax assets	21	22,602,772			17,780,140		
Other noncurrent assets	14	13,277,080			12,331,950		
Total Noncurrent Assets		1,313,948,724			1,308,688,644		
Total Assets		₱2,277,558,219			₱2,201,583,761		
Securities in Vault, Transfer Offices, and Philippine Depository and Trust Corporation				₱8,320,992,243			₱10,402,214,918
LIABILITIES AND EQUITY							
Current Liabilities							
Trade payables	15	₱172,519,052	8,185,660,269		₱151,504,646	10,380,688,787	
Lease liabilities - current portion	20	1,820,166			1,998,815		
Other current liabilities	16	15,621,883			9,296,718		
Total Current Liabilities		189,961,101			162,800,179		
Noncurrent Liabilities							
Lease liabilities - net of current portion	20	14,850			1,762,958		
Net retirement benefit liability	19	30,924,504			27,620,668		
Total Noncurrent Liabilities		30,939,354			29,383,626		
Total Liabilities		220,900,455			192,183,805		
Equity							
Capital stock	4	687,500,000			687,500,000		
Additional paid-in capital		1,223,556,878			1,223,556,878		
Retained earnings:							
Appropriated	4	14,227,456			11,927,718		
Unappropriated		119,831,530			75,747,336		
Other equity reserves		11,541,900			10,668,024		
Total Equity		2,056,657,764			2,009,399,956		
Total Liabilities and Equity		₱2,277,558,219	₱8,320,992,243	₱8,320,992,243	₱2,201,583,761	₱10,402,214,918	₱10,402,214,918

See accompanying Notes to Financial Statements.

CTS GLOBAL EQUITY GROUP, INC.

STATEMENTS OF COMPREHENSIVE INCOME

	Note	Years Ended December 31 2024	2023	2022
REVENUES				
Interests	6	**₱91,285,657**	₱95,744,802	₱40,145,578
Trading gains on financial assets at FVPL - net	7	**63,065,481**	427,861	32,466,943
Commissions		**4,283,997**	5,290,848	11,541,693
Dividends	7	**3,489,399**	2,245,411	3,596,309
Client advisory income		**369,989**	–	–
		162,494,523	103,708,922	87,750,523
COSTS OF SERVICES				
Personnel costs	18	**40,162,024**	32,179,119	29,179,822
Commissions		**18,315,217**	9,164,180	24,962,591
Transaction costs		**13,432,625**	15,289,311	12,668,401
Research		**2,665,112**	2,533,446	2,496,028
Stock exchange dues and fees		**2,660,082**	1,710,872	2,039,309
Communications		**1,186,903**	1,070,503	822,178
Central depository fees		**931,017**	1,033,088	1,094,279
		79,352,980	62,980,519	73,262,608
GROSS PROFIT		**83,141,543**	40,728,403	14,487,915
OPERATING EXPENSES				
Personnel costs	18	**19,898,695**	15,630,803	14,754,297
Condominium dues, power and water		**2,337,705**	1,765,817	1,831,406
Insurance and bonds		**2,328,142**	2,012,702	1,606,806
Trainings and seminars		**1,628,396**	871,720	699,909
Professional fees		**1,349,000**	1,577,540	2,887,500
Security and other manpower services		**1,198,973**	1,198,946	1,316,913
Taxes and licenses		**897,471**	1,147,627	1,120,477
Communications		**825,554**	834,744	1,214,436
Membership fees		**324,482**	280,000	29,999
Office supplies		**316,989**	233,354	334,667
Repairs and maintenance		**244,708**	123,627	198,750
Escrow fees		**180,000**	241,329	311,027
Directors' fees		**115,000**	120,000	75,000
Others		**1,681,587**	1,547,924	1,116,021
		33,326,702	27,586,133	27,497,208
Depreciation and amortization	11	**5,531,774**	4,375,475	4,288,518
Interest expense		**1,932,992**	1,389,532	1,081,100
Reversal of credit losses	8	**(2,740)**	(7,028)	(135,506)
		40,788,728	33,344,112	32,731,320
OTHER INCOME (LOSSES)				
Foreign exchange gains (losses) - net		**17,193,743**	(2,860,563)	71,704,320
Gain on sale of property and equipment	12	**446**	1,786	–
		17,194,189	(2,858,777)	71,704,320
INCOME BEFORE INCOME TAX		**₱59,547,004**	₱4,525,514	₱53,460,915

(Forward)

	Note	Years Ended December 31		
		2024	2023	2022
INCOME BEFORE INCOME TAX		**₱59,547,004**	₱4,525,514	₱53,460,915
INCOME TAX EXPENSE (BENEFIT)	21			
Current		**126,996**	–	265,860
Deferred		**(5,113,924)**	(18,471,870)	957,930
		(4,986,928)	(18,471,870)	1,223,790
NET INCOME		**64,533,932**	22,997,384	52,237,125
OTHER COMPREHENSIVE INCOME (LOSS)				
To be reclassified to profit or loss in subsequent periods	9			
Unrealized gain (loss) on changes in fair value of debt securities at fair value through other comprehensive income (FVOCI)		**70,123**	31,434,075	(18,686,007)
Deferred income tax benefit (expense)		**(17,531)**	(7,858,519)	4,671,502
		52,592	23,575,556	(14,014,505)
Not to be reclassified to profit or loss on subsequent periods	19			
Remeasurement gain (loss) on net retirement benefit liability		**1,095,045**	(6,510,056)	4,775,938
Deferred income tax benefit (expense)		**(273,761)**	1,627,514	(1,193,985)
		821,284	(4,882,542)	3,581,953
TOTAL COMPREHENSIVE INCOME		**₱65,407,808**	₱41,690,398	₱41,804,573
Basic/Diluted Earnings Per Share	22	**₱0.0094**	₱0.0033	₱0.0081

See accompanying Notes to Financial Statements.

CTS GLOBAL EQUITY GROUP, INC.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

				Retained Earnings			Other Equity Reserves			
	Note	Capital Stock	Additional Paid-In Capital	Appropriated	Unappropriated	Total	Cumulative Unrealized Gains (Losses) on Changes in Fair Value of Financial Assets at FVOCI (net of deferred tax)	Cumulative Remeasurement Gains on Net Retirement Benefit Liability (net of deferred tax)	Total	Total Equity
Balances at December 31, 2023		₱687,500,000	₱1,223,556,878	₱11,927,718	₱75,747,336	₱87,675,054	₱9,561,051	₱1,106,973	₱10,668,024	₱2,009,399,956
Net income		–	–	–	64,533,932	64,533,932	–	–	–	64,533,932
Dividend declaration	4	–	–	–	(18,150,000)	(18,150,000)	–	–	–	(18,150,000)
Appropriation	4	–	–	2,299,738	(2,299,738)	–	–	–	–	–
Other comprehensive income	9, 19	–	–	–	–	–	52,592	821,284	873,876	873,876
Balances at December 31, 2024		₱687,500,000	₱1,223,556,878	₱14,227,456	₱119,831,530	₱134,058,986	₱9,613,643	₱1,928,257	₱11,541,900	₱2,056,657,764
Balances at December 31, 2022		₱687,500,000	₱1,223,556,878	₱6,704,006	₱79,313,664	₱86,017,670	(₱14,014,505)	₱5,989,515	(₱8,024,990)	₱1,989,049,558
Net income		–	–	–	22,997,384	22,997,384	–	–	–	22,997,384
Dividend declaration	4	–	–	–	(21,340,000)	(21,340,000)	–	–	–	(21,340,000)
Appropriation	4	–	–	5,223,712	(5,223,712)	–	–	–	–	–
Other comprehensive income (loss)	9, 19	–	–	–	–	–	23,575,556	(4,882,542)	18,693,014	18,693,014
Balances at December 31, 2023		₱687,500,000	₱1,223,556,878	₱11,927,718	₱75,747,336	₱87,675,054	₱9,561,051	₱1,106,973	₱10,668,024	₱2,009,399,956

	Note	Capital Stock	Additional Paid-In Capital	Retained Earnings: Appropriated	Retained Earnings: Unappropriated	Retained Earnings: Total	Other Equity Reserves: Cumulative Unrealized Losses on Changes in Fair Value of Financial Assets at FVOCI (net of deferred tax)	Other Equity Reserves: Cumulative Remeasurement Gains on Net Retirement Benefit Liability (net of deferred tax)	Other Equity Reserves: Total	Total Equity
Balances at December 31, 2021		₱550,000,000	₱–	₱4,689,519	₱29,091,026	₱33,780,545	₱–	₱2,407,562	₱2,407,562	₱586,188,107
Issuances of capital stock	4	137,500,000	1,237,500,000	–	–	–	–	–	–	1,375,000,000
Stock issuance costs	4	–	(13,943,122)	–	–	–	–	–	–	(13,943,122)
Net income		–	–	–	52,237,125	52,237,125	–	–	–	52,237,125
Appropriation	4	–	–	2,014,487	(2,014,487)	–	–	–	–	–
Other comprehensive income (loss)	9,19	–	–	–	–	–	(14,014,505)	3,581,953	(10,432,552)	(10,432,552)
Balances at December 31, 2022		₱687,500,000	₱1,223,556,878	₱6,704,006	₱79,313,664	₱86,017,670	(₱14,014,505)	₱5,989,515	(₱8,024,990)	₱1,989,049,558

See accompanying Notes to Financial Statements.

CTS GLOBAL EQUITY GROUP, INC.

STATEMENTS OF CASH FLOWS

		Years Ended December 31		
	Note	**2024**	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax		**₱59,547,004**	₱4,525,514	₱53,460,915
Adjustments for:				
Interest income	6	**(91,285,657)**	(95,744,802)	(40,145,578)
Unrealized foreign exchange losses (gains) - net		**(17,193,743)**	2,860,563	(31,479,210)
Depreciation and amortization	11	**5,531,774**	4,375,475	4,288,518
Unrealized fair value losses on financial assets at FVPL - net	7	**3,766,622**	1,454,215	255,110
Dividend income	7	**(3,489,399)**	(2,245,411)	(3,596,309)
Retirement expense	18	**2,686,399**	1,839,752	2,248,659
Interest expense		**1,889,849**	1,389,532	1,081,100
Reversal of credit losses	8	**(2,740)**	(7,028)	(135,506)
Gain on sale of property and equipment	12	**(446)**	(1,786)	–
Operating loss before working capital changes		**(38,550,337)**	(81,553,976)	(14,022,301)
Decrease (increase) in:				
Financial assets at FVPL		**(57,011,732)**	(7,001,534)	(1,628,674)
Trade receivables		**(38,728,960)**	(2,824,017)	49,022,921
Other current assets		**(240,020)**	349,550	(1,200,816)
Other noncurrent assets		**(945,130)**	(942,631)	(858,571)
Increase (decrease) in:				
Trade payables		**21,014,406**	(21,173,950)	(158,417,694)
Other current liabilities		**6,325,165**	(8,564,435)	8,938,238
Net cash used for operations		**(108,136,608)**	(121,710,993)	(118,166,897)
Interest received		**93,375,913**	98,734,448	33,918,258
Dividend received		**3,529,530**	2,209,915	3,596,309
Income taxes paid		**(20,537)**	(36,712)	(25,776)
Contributions to retirement plan	19	**–**	(300,000)	–
Net cash used in operating activities		**(11,251,702)**	(21,103,342)	(80,678,106)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of:				
Property and equipment	12	**(4,936,660)**	(3,213,295)	(233,174)
Intangible assets	11	**(2,532,500)**	(247,200)	(988,800)
Investments in government securities	9	**–**	–	(1,244,701,810)
Proceeds from:				
Maturity of investment in government securities	9	**–**	50,000,000	–
Sale of equipment	12	**446**	1,786	–
Net cash provided by (used in) investing activities		**(7,468,714)**	46,541,291	(1,245,923,784)

(Forward)

	Note	Years Ended December 31		
		2024	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of dividends	4	**(₱18,150,000)**	(₱21,340,000)	₱–
Payments of lease liabilities	20	**(2,217,445)**	(1,536,300)	(1,429,926)
Proceeds from capital stock issuances	4	**–**	–	1,375,000,000
Payments of stock issuance costs	4	**–**	–	(13,943,122)
Net cash provided by (used in) financing activities		**(20,367,445)**	(22,876,300)	1,359,626,952
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(39,087,861)**	2,561,649	33,025,062
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**(256,686)**	(120,568)	(133,742)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**479,631,777**	477,190,696	444,299,376
CASH AND CASH EQUIVALENTS AT END OF YEAR	6	**₱440,287,230**	₱479,631,777	₱477,190,696

See accompanying Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024 AND 2023
AND FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

1. Corporate Information

CTS Global Equity Group, Inc. (the Company), doing business under the trade names and styles of CTS Global, CTS Global Equities, CTS Global Securities, CTS Securities, and Citisecurities doing business under the trade names and styles of CTS Global, CTS Global Equities, CTS Global Securities, CTS Securities, and Citisecurities, was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on October 22, 1975. The Company is a licensed broker/dealer of securities with the SEC, and both a stockholder and holder of a trading right of the Philippine Stock Exchange (PSE).

On April 13, 2022, the Company was listed in the PSE under the stock symbol CTS. The Company listed 1,375.0 million common shares at an offer price of ₱1.00 per share (see Note 4).

The registered office address of the Company is 27/F East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City.

The financial statements of the Company as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022 were approved and authorized for issue by the BOD on March 14, 2025, as recommended for approval by the Audit Committee on the same date.

2. Summary of Material Accounting Policy Information

Basis of Preparation

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

The statements of financial position contain some additional information in line with the requirements of Rule 52.1 of the Implementing Rules and Regulations of the Securities Regulation Code (SRC).

Measurement Bases

The financial statements are presented in Philippine Peso (Peso), the Company's functional currency. All values are stated in absolute amounts, unless otherwise indicated.

The financial statements have been prepared on a historical cost basis, except for:

- Financial assets measured at FVPL;
- Financial assets measured at fair value through other comprehensive income (FVOCI);
- Retirement benefit liability that is carried at the present value of defined benefit obligation less fair value of plan assets; and
- Lease liabilities that are carried at initial recognition at the present value of the remaining lease payments, discounted using an appropriate discount rate.

Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability. 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 Company uses observable market data to the extent possible when measuring the fair value of an asset or a liability. Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the following valuation techniques:

- 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; or
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is disclosed in the following notes to the financial statements:

- Note 5 - Fair Value Measurement
- Note 7 - Financial Assets at FVPL
- Note 9 - Investments in Government Securities
- Note 13 - Investment Property

Adoption of Amendments to PFRS Accounting Standards

The accounting policies adopted are consistent with those of the previous financial year. There are no issued amendments to PFRS Accounting Standards which are effective as at December 31, 2024, that has significant impact on the Company's financial statements.

New and Amendments to PFRS Accounting Standards in Issue But Not Yet Effective or Adopted

Relevant new and amendments to PFRS Accounting Standards, which are not yet effective as at December 31, 2024 and have not been applied in preparing the financial statements, are summarized below:

Effective for annual periods beginning on or after January 1, 2026:

- Amendments to PFRS 9, *Financial Instruments,* and PFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Assets* – The amendments clarify that a financial liability is derecognized when the related obligation is discharged or cancelled, expires or otherwise qualifies for derecognition (e.g. settlement date), and introduce a policy option to derecognize financial liabilities settled through an electronic payment system before settlement date if the required conditions are met. The amendments also clarify the assessment of contractual cash flow characteristics of financial assets and the treatment of non-recourse loans and contractually linked instruments, as well as require additional disclosure requirements for financial assets and liabilities with contingent features and equity instruments classified at FVOCI. Earlier application is permitted.

- Annual Improvements to PFRS Accounting Standards Volume 11:

  - Amendments to PFRS 7, *Financial Instruments: Disclosures* – The amendments update and remove some obsolete references related to the gain or loss on derecognition on financial assets of an entity that has a continuing involvement and to the disclosure requirements on deferred differences between fair value and transaction price. The amendments also clarify that the illustrative guidance does not necessarily illustrate all the requirements for credit risk disclosure. Earlier application is permitted.

  - Amendments to PFRS 9, *Financial Instruments – Transaction Price and Lessee Derecognition of Lease Liabilities* – The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee must apply the derecognition criteria for a financial liability which requires recognition of a gain or loss in profit or loss. The amendments also replace the reference to *'transaction price as defined by PFRS 15, Revenue from Contracts with Customers'* to *'the amount determined by applying PFRS 15'* to remove potential confusion. Earlier application is permitted.

  - Amendments to PAS 7, *Statement of Cash Flows - Cost Method* – The amendments replace the term 'cost method' with 'at cost' following the deletion of the definition of 'cost method'. Earlier application is permitted.

Effective for annual periods beginning on or after January 1, 2027 -

- PFRS 18, *Presentation and Disclosure in Financial Statements* – This standard replaces PAS 1, *Presentation of Financial Statements*, and sets out the requirements for the presentation and disclosure of information to help ensure that the financial statements provide relevant information that faithfully represents the entity's assets, liabilities, equity, income, and expenses. The standard introduces new categories and sub-totals in the statements of comprehensive income, disclosures on management-defined performance measures, and new principles for grouping of information, which the entity needs to apply retrospectively. Earlier application is permitted.

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

Classification of Assets and Liabilities between Current and Noncurrent
The Company presents current and noncurrent assets, and current and noncurrent liabilities, as separate classifications in the notes to financial statements.

Current Assets. The Company classifies an asset as current when:

- It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- It holds the asset primarily for the purpose of trading;
- It expects to realize the asset within 12 months after the reporting period; or
- The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Otherwise, the Company will classify all other assets as noncurrent.

Current Liabilities. The Company classifies a liability as current when:

- It expects to settle the liability in its normal operating cycle;
- It holds the liability primarily for the purpose of trading;
- The liability is due to be settled within 12 months after the reporting period; or
- It does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Otherwise, the Company will classify all other liabilities as noncurrent.

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

Date of Recognition. The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting.

"Day 1" Difference. Where the transaction in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a "Day 1" difference) in profit or loss. In cases where there is no observable data on inception, the Company deems the transaction price as the best estimate of fair value and recognizes the "Day 1" difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the "Day 1" difference.

Financial Assets

Initial Recognition and Measurement. Financial assets are recognized initially at fair value, which is the fair value of the consideration given. The initial measurement of financial instruments, except for those designated at FVPL, includes transaction cost.

Classification. The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at amortized cost, (b) financial assets at FVPL, and (c) financial assets at FVOCI.

The classification of a financial instrument largely depends on the Company's business model and its contractual cash flow characteristics.

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

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

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less any allowance for credit and impairment losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate.

Gains and losses are recognized in profit or loss when the financial assets are derecognized and through amortization process. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

As at December 31, 2024 and 2023, the Company's cash and cash equivalents, trade receivables, certain government securities, interest receivables, receivables from employees, and dividends receivable (included under "Other current assets" account in the statements of financial position), and refundable deposits (included under "Other noncurrent assets" account in the statements of financial position) are classified under this category (see Notes 6, 8, 9, 10, and 14).

Financial Assets at FVPL. Financial assets at FVPL are either classified as held for trading or designated at FVPL. A financial instrument is classified as held for trading if it meets either of the following conditions:

- It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

This category includes equity instruments that the Company had not irrevocably elected to classify at FVOCI at initial recognition.

Dividends from equity instruments held at FVPL are recognized in profit or loss when the right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment.

Financial assets at FVPL are subsequently measured at fair value. Gains or losses arising from the fair valuation of financial assets at FVPL are recognized in profit or loss.

As at December 31, 2024 and 2023, the Company's investments in various listed equity securities are classified under this category (see Note 7).

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

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

These debt securities are initially measured at fair value plus transaction costs. After initial recognition, interest income (calculated using the effective interest rate method) and impairment gains or losses of debt instruments measured at FVOCI are recognized directly in profit or loss. Fair value changes are recognized in OCI and presented in the equity section of the statements of financial position. When the financial asset is derecognized, the cumulative gains or losses previously recognized in OCI are reclassified from equity to profit or loss as a reclassification adjustment.

As at December 31, 2024 and 2023, certain investments in government securities are classified under this category (see Note 9).

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

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

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

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

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at amortized cost, any gain or loss previously recognized in OCI, and any difference between the new amortized cost and maturity amount, are amortized to profit or loss over the remaining life of the investment using the effective interest method. If the financial asset is subsequently impaired, any gain or loss that has been recognized in OCI is reclassified from equity to profit or loss.

In the case of a financial asset that does not have a fixed maturity, the gain or loss shall be recognized in profit or loss when the financial asset is sold or disposed. If the financial asset is subsequently impaired, any previous gain or loss that has been recognized in OCI is reclassified from equity to profit or loss.

Impairment of Financial Assets at Amortized Cost. For trade receivables, the Company has applied the simplified approach, and has calculated the expected credit losses (ECL) based on lifetime ECL. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to its customers and the economic environment.

For other financial assets measured at amortized cost, the Company applies a general approach in calculating ECL. The Company recognizes a loss allowance based on either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk on its other receivables since initial recognition.

The Company considers a financial asset in default when contractual payments are 30 days past due, unless it is demonstrated that the non-payment was an administrative oversight rather than resulting from financial difficulty of the borrower. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

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

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

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

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

Financial Liabilities

Initial Recognition and Measurement. Financial liabilities are recognized initially at fair value, which is the fair value of the consideration received. In case of financial liabilities at amortized cost, the initial measurement is net of any directly attributable transaction costs.

Classification. The Company classifies its financial liabilities at initial recognition as either financial liabilities at FVPL or financial liabilities at amortized cost.

As at December 31, 2024 and 2023, the Company does not have financial liabilities at FVPL.

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

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

As at December 31, 2024 and 2023, the Company's trade payables, other current liabilities (excluding statutory payables), and lease liabilities are classified under this category (see Notes 15, 16, and 20).

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

Classification of Financial Instrument between Liability and Equity. A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- 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.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

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

Intangible Assets
Intangible assets pertain to software and licenses, and exchange trading right.

Software and Licenses. Software and licenses are measured on initial recognition at cost. Subsequent to initial recognition, software and licenses are carried at cost less accumulated amortization and any accumulated impairment losses. Software and licenses are amortized over its estimated economic life of 10 years and assessed for impairment whenever there is an indication that the software and licenses may be impaired.

The amortization period and method are reviewed at least at each reporting date. Changes in the expected economic life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

Exchange Trading Right. Exchange trading right is initially measured at cost. It is an intangible asset with indefinite useful life, and is tested for impairment annually. Exchange trading right is not amortized but is carried at cost less accumulated impairment losses, if any. The exchange trading right is deemed to have indefinite useful lives as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. The assumption that the exchange trading right remains to be an intangible asset with an indefinite life is reviewed annually to determine whether this continues to be supportable as such. If not, the carrying amount of the asset is amortized over its remaining useful life on a straight line basis unless a more appropriate amortization method is warranted. Any impairment losses determined are recognized in profit or loss.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, amortization, and any impairment losses.

The initial cost of property and equipment comprises its purchase price, after deducting trade discounts and rebates, and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance costs, are normally recognized in profit or loss in the year these are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives of the property and equipment:

	Number of Years
Office condominium units and improvements	10 to 20
Leasehold improvements	10 or lease term, whichever is shorter
Furniture, fixtures, and office equipment	2 to 5

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

Fully-depreciated assets are retained in the account until they are no longer in use and no further change for depreciation is made in respect of those assets.

When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and amortization, and any accumulated impairment losses are removed from the accounts. Any resulting gain or loss is recognized in profit or loss.

Construction in progress represents properties under construction and is stated at cost, including costs of construction and other direct costs. Construction in progress is not depreciated until such time that the relevant assets are completed and ready for operational use.

Investment Property

Investment property is property held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business or for administrative purposes.

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at cost, less accumulated depreciation and any impairment in value. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property.

Depreciation of investment property is calculated on a straight-line basis over a 20-year estimated useful life. The estimated useful life and depreciation method are reviewed periodically to ensure that these are consistent with expected pattern of economic benefits of investment property.
Investment property is derecognized when either they have been disposed of or the investment property is permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gains or losses on the retirement or disposal of investment property are recognized in profit or loss in the period of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by the commencement of owner-occupation or commencement of development with a view to sell.

For transfers from investment property to owner-occupied properties or inventories, the cost for subsequent accounting is its carrying amount at the date of change in use. If the property occupied by the Company as an owner-occupied property becomes an investment property, the Company accounts for such in accordance with the policy under property and equipment up to the date of change in use.

Other Nonfinancial Assets

Other nonfinancial assets pertain to excess tax credits and prepayments.

Excess Tax Credits. Excess tax credits pertain to creditable withholding tax (CWT) and prepaid income tax. CWT pertains to tax on the Company's income withheld and remitted to the Bureau of Internal Revenue (BIR) by customers and deducted from income tax payable on the same year the income was recognized. Prepaid income tax pertains to excess income tax payments of the Company over the amount due. Unapplied or excess income tax payments are carried forward and can be utilized in succeeding years.

Prepayments. Prepayments are expenses paid in advance and recorded as assets before these are utilized. Prepayments are apportioned over the period covered by the payment and included in profit or loss when incurred. Prepayments that are expected to be realized for not more than 12 months after the financial reporting period are classified as current assets. Otherwise, these are classified as noncurrent assets.

Impairment of Nonfinancial Assets

The carrying amounts of nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable, except for the exchange trading right where test of impairment is done annually. If any such indication exists and when the carrying amounts exceed the estimated recoverable amounts, the assets or cash-generating units (CGU) are written down to their recoverable amounts. The recoverable amount of the asset is the greater of the fair value less cost to sell or value in use. The fair value less cost to sell is the amount that would be received to sell an asset in an orderly transaction between participants at the measurement date less costs of disposal. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. 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. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in profit or loss.

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

Value-Added Tax (VAT)

VAT is a tax on consumption levied on the sale, barter, exchange, or lease of goods or properties and services, and on importation of goods in the Philippines. It is an indirect tax, which may be shifted or passed on to the buyer, transferee or lessee of goods, properties or services.

Revenue, expenses, and assets are recognized net of the amount of VAT, except:

- Where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of VAT included.

The net amount of VAT payable to the taxation authority is included as part of "Other current liabilities" accounts in the statements of financial position.

Equity

Capital Stock. Capital stock is measured at par value for all shares issued and outstanding.

Additional Paid-in Capital (APIC). APIC represents the proceeds and/or fair value of consideration received in excess of the par value of the shares issued. Incremental costs directly attributable to the issuance of new common stocks are recognized as deduction to APIC, net of any tax effects.

Retained Earnings. Retained earnings represent the cumulative balance of net income or loss, net of any dividend declarations. At each reporting date, net income or loss of the Company is transferred to retained earnings.

Appropriated retained earnings pertain to the restricted portion which is intended for the reserve fund in compliance with the SRC Rule 49.1 (B). Unappropriated retained earnings pertain to the unrestricted portion available for dividend declaration.

Other Comprehensive Income (Loss). Other comprehensive income (loss) consists of items of income and expense that are not recognized in profit and loss in accordance with PFRS Accounting Standards. Other comprehensive income (loss) of the Company pertains to cumulative unrealized gains or losses on changes in fair value of financial assets at FVOCI, net of related deferred tax, and cumulative remeasurement gains or losses on retirement liability, net of related deferred tax, which is presented as "Other equity reserves".

Revenue Recognition

Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as the Company perform its obligations; (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

The Company also assesses its revenue arrangements to determine if it is acting as a principal or as an agent. The Company has assessed that it acts as agent in its brokerage transactions. The Company acts as a principal in its income from other sources.

Commissions. These pertain to the revenue from brokerage transactions, which are recorded on trade date basis as trade transaction occurs.

The following specific recognition criteria must also be met for other revenues:

Interests. Interest income is recognized in profit or loss as it accrues, taking into account the effective yield of the asset, net of final tax.

Trading Gains or Losses on Financial Assets at FVPL. Trading gains or losses on financial assets at FVPL include all gains and losses from changes in fair value and disposal of financial assets at FVPL. Unrealized gains or losses are recognized in profit or loss upon remeasurement of the financial assets at FVPL at each reporting date. Gains or losses from sale of financial assets at FVPL are recognized in profit or loss upon confirmation of trade deals.

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

Client Advisory Income. These are generally recognized over the period when the related service is provided.

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

Cost and Expense Recognition
Costs and expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

Costs of Services. Costs of services such as direct personnel costs, commissions, transaction costs, research costs, stock exchange dues and fees, central depository fees, and communication costs are recognized when the related revenue is recognized or when the service is rendered.

Operating Expenses. Operating expenses incurred by the Company such as indirect personnel costs, utility costs, and other operating expenses are administrative overhead costs and recognized in profit or loss when incurred.

Employee Benefits

Short-term Benefits. The Company recognizes short-term employee benefits based on contractual arrangements with employees. Any unpaid portion of the short-term employee benefits is measured on an undiscounted basis and included as part of "Other current liabilities" account in the statements of financial position.

Retirement Benefits. Retirement benefit costs are actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees' projected salaries. The calculation of defined benefit liability is performed annually by a qualified actuary. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in the future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

The Company recognizes service costs, comprising of current service costs and past service costs in profit or loss. Net interest costs on retirement benefit liability is presented as part of "Interest expense" account in the statements of comprehensive income.

The Company determines the net interest expense by applying the discount rate to the net defined liability at the beginning of the year, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments.

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

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The net retirement benefit liability recognized by the Company is the aggregate of the present value of the defined benefit liability reduced by the fair value of plan assets, out of which the obligations are to be settled directly. The present value of the defined benefit liability is determined by discounting the estimated future cash outflows using risk-free interest rates of government bonds that have terms to maturity approximating the terms of the related retirement benefit liability. Actuarial valuations are made so that the amounts recognized in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

Leases

The Company assesses whether the contract is, or contains, a lease at the inception of the contract. To assess whether a contract conveys the right to control the use of an identified assets for a period of time, the Company assesses whether, throughout the period of use, it has both of the following:

- The right to obtain substantially all of the economic benefits from use of the identified asset; and
- The right to direct the use of the identified asset.

If the Company has the right to control the use of an identified asset for only a portion of the term of the contract, the contract contains a lease for that portion of the term.

The Company also assesses whether a contract contains a lease for each potential separate lease component. The Company recognizes a right-of-use (ROU) asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee.

Company as a Lessee. At the commencement date, the Company recognizes an ROU asset and a lease liability for all leases, except for leases with lease terms of 12 months or less (short-term leases) and leases for which the underlying asset is of low value in which case the lease payments associated with those leases are recognized as an expense on a straight-line basis.

ROU Assets. At commencement date of the lease contract, the Company measures an ROU asset (presented as part of property and equipment account) at cost. The initial measurement of ROU assets includes the following:

- The amount of the initial measurement of lease liability;
- Lease payments made at or before the commencement date less any lease incentives received;
- Initial direct costs; and
- An estimation of costs to be incurred by the Company in dismantling and removing the underlying asset, when applicable.

After the commencement date, the ROU assets are carried at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the related lease liabilities. The ROU assets are depreciated over the shorter of the lease terms or the useful lives of the underlying assets.

Lease Liabilities. At commencement date, the Company measures a lease liability at the present value of future lease payments using the interest rate implicit in the lease, if that rate can be readily determined. Otherwise, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of a lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonable certain not to terminate early.

A lease liability is subsequently measured at amortized cost. Interest expense on the lease liability and any variable lease payments not included in the measurement of lease liability are recognized in profit or loss, unless these are capitalized as costs of another asset. Variable lease payments not included in the measurement of the lease liability are recognized in profit or loss when the event or condition that triggers those payments occurs.

If there is a change in the lease term or if there is a change in the assessment of an option to purchase the underlying asset, the lease liability is remeasured using a revised discount rate considering the revised lease payments on the basis of the revised lease term or reflecting the change in amounts payable under the purchase option. The lease liability is also remeasured using the revised lease payments if there is a change in the amounts expected to be payable under a residual value guarantee or a change in future lease payments resulting from a change in an index or a rate used to determine those payments.

Income Taxes

Current Tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rate and tax laws used to compute the amount are those that have been enacted or substantively enacted at the reporting date.

Deferred Tax. Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences that are expected to increase future taxable income. Deferred tax assets are recognized for all deductible temporary differences and carryforward benefits of unused tax credits from the unused net operating loss carryover (NOLCO) and excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carryforward benefits of unused tax credits and unused tax losses 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 profit nor taxable profit or loss.

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

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

Deferred tax is recognized in profit or loss, except to the extent that it relates to a business combination or items directly recognized to equity or in OCI.

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

Related Party Transactions

Related party transactions are transfer of resources, services, or obligations between the Company and its related parties, regardless of whether a price is charged.

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. Parties are also considered to be related if they are subject to common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors, or its stockholders. Related parties may be individual or corporate entities. Transactions between related parties are accounted for at arm's-length prices or on terms similar to those offered to non-related parties in an economically comparable market. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on legal form.

Related party transactions are considered material and/or significant if i) these transactions amount to 10% or higher of the Company's total assets, or ii) there are several transactions or a series of transactions over a 12-month period with the same related party amounting to 10% or higher of the Company's total assets.

Foreign Currency-Denominated Transactions

Transactions denominated in foreign currencies are recorded using the exchange rate at the date of the transaction. Outstanding monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rate at reporting date. Differences arising on settlement or translation of monetary assets and liabilities are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Segment Reporting

The Company reports separate information about each operating segment identified. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components; from whose operating results are regularly reviewed to make decisions about resources to be allocated to the segment; and for which discrete information is available.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

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

Earnings per Share (EPS)
Basic EPS is calculated by dividing the net income (less preferred dividends net of tax, if any) for the year attributable to common stockholders by the weighted average number of common stocks outstanding during the year, with retroactive adjustment for any stock dividends or stock splits declared during the year.

Diluted EPS is computed by dividing net income by the weighted average number of common stocks outstanding during the year, after giving retroactive effect for any stock dividends, stock splits, or reverse stock splits during the year, and adjusted for the effect of dilutive options.

Events after the Reporting Date
Post year-end events that provide additional information about the Company's financial position as at reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

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3. **Summary of Significant Judgments, Accounting Estimates, and Assumptions**

The preparation of the financial statements requires management to exercise judgments and make accounting estimates and assumptions that affect the amounts reported in the financial statements and related notes. The judgments and accounting estimates, and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as at the reporting date. While the Company believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the estimated amounts. Actual results could differ from such estimates.

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

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

Judgments

Determination of the Functional Currency. Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be Philippine Peso, which is the currency of the primary economic environment in which the Company operates. It is the currency that mainly influences economic value of the income and costs from the Company's operations.

Classification and Measurement of Financial Assets. Classification and measurement of financial assets depends on the results of the "solely for payments of principal and interests" and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated, the risks that affect the performance of the assets, and how these risks are managed.

The Company monitors financial assets measured at FVPL, FVOCI, or amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate. Otherwise, change in the business model should result to a change in the classification of those financial assets.

As at December 31, 2024 and 2023, the Company's investments in various listed equity securities are classified as financial assets at FVPL, while certain investments in government securities are classified as financial assets at FVOCI and amortized cost (see Notes 7 and 9).

Cash and cash equivalents, trade receivables, certain investments in government securities, interest receivables, receivables from employees and dividends receivable (included under "Other current assets" account in the statements of financial position), and refundable deposits (included under "Other noncurrent assets" account in the statements of financial position) were classified as financial assets at amortized cost because the Company's primary business model in relation to these assets is to hold the financial assets to collect contractual cash flows solely for principal and interest (see Notes 6, 8, 9, 10, and 14).

Determination of the Lease Term of Contracts with Renewal and Termination Options - Company as Lessee. The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised. The Company applies judgment in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Company is not reasonably certain to exercise any renewal or termination option on its leases. Hence, only the enforceable portion of the lease term (i.e. legal term of the contract) was considered in the computation of ROU assets and lease liabilities.

Determination of the Operating Segments. Determination of operating segments is based on the information about components of the Company that the management uses to make decisions about operating matters. The Company is organized into operating segments based on business activities as allowed under PFRS 8, *Operating Segments,* due to their similar characteristics.

As at December 31, 2024 and 2023, the Company determined that it has two operating segments, which pertain to local and global trading (see Note 23).

Accounting Estimates and Assumptions

Fair Value Measurement of Financial Instruments. The fair values of securities that are actively traded in organized financial markets are determined by reference to unadjusted quoted market prices at the close of business on the reporting date.

When the fair values of financial assets recorded in the statements of financial position cannot be measured based on quoted prices in active market, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to this model are taken from observable market when possible, but when this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

In accordance with the amendments to PFRS 7, *Financial Instruments: Disclosures*, disclosures about the level in the fair value hierarchy are required in which the fair value measurements are categorized for assets and liabilities measured in the statements of financial position.

Assumptions and methods of determining the fair values of financial instruments are presented in Note 5 to the financial statements.

Assessment of the ECL on Trade Receivables. The Company, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates for trade receivables. The provision matrix specifies provision rates depending on the number of days that a trade receivable is past due. The Company also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Company then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data affecting each customer segment to reflect the effects of current and forecasted economic conditions. The Company regularly reviews the methodology and assumptions used for estimating ECL to reduce any differences between estimates and actual credit loss experience.

The determination of the relationship between historical default rates and forecasted economic conditions is a significant accounting estimate. Accordingly, the provision for credit losses on trade receivables is sensitive to changes in assumptions about forecasted economic conditions.

Reversals of ECL were made in 2024, 2023, and 2022. The carrying amounts of trade receivables and related allowance for credit losses as at and for the years ended December 31, 2024 and 2023 are disclosed in Note 8 to the financial statements.

Assessment of the ECL on Other Financial Assets at Amortized Cost. The Company determines the allowance for ECL using general approach. The Company calculates ECL for its other financial assets at amortized cost at initial recognition by considering the occurrences and probabilities of possible defaults only for the next 12 months, rather than the life of the asset. It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Company considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and
- Actual or expected significant adverse changes in the operating results of the borrower.

The Company also considers financial assets that are more than 30 days past due to be the latest point at which lifetime ECL should be recognized, unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the borrower.

The Company has assessed that the ECL on other financial assets at amortized cost is not material because the transactions with respect to these financial assets were entered into by the Company only with reputable banks and companies with good credit standing and relatively low risk of defaults. Accordingly, no provision for credit losses on other financial assets at amortized cost was recognized in 2024, 2023, and 2022.

The carrying amounts of the other financial assets at amortized cost (cash and cash equivalents, investments in government securities excluding investments in government securities measured at FVOCI, interest receivables, receivables from employees, dividends receivable, refundable deposits) as at December 31, 2024 and 2023 are disclosed in Notes 6, 9, 10, and 14 to the financial statements.

Estimation of the Useful Lives of Intangible Assets, Property and Equipment (including Right-of-Use Assets), and Investment Property. The exchange trading right is deemed to have indefinite useful life as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. The useful lives of software and licenses, property and equipment, and investment property are estimated based on the period over which the assets are expected to be available for use and are reviewed periodically to ensure that the method and period of depreciation and amortization are consistent with the expected pattern of economic benefits from items of software and licenses, property and equipment, and investment property.

The useful lives are updated if expectations differ from previous estimates due to physical wear and tear, and technical and commercial obsolescence. Any reduction in the estimated useful lives of these assets would increase the Company's recorded operating expenses and decrease noncurrent assets.

There is no change in the estimated useful lives of software and licenses, property and equipment, and investment property in 2024, 2023, and 2022.

Assessment of the Impairment of Nonfinancial Assets. The Company assesses impairment on intangible assets, property and equipment (including right-of-use assets), investment property, and other nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of the assets or Company of assets may not be recoverable. The relevant factors that the Company considers in deciding whether to perform an asset impairment review include, among others, the following:

- Significant underperformance of a business in relation to expectations;
- Significant negative industry or economic trends; and
- Significant changes or planned changes in the use of the assets.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. Recoverable amounts are estimated for individual assets or, if it is not possible, for the CGU to which the asset belongs.

No impairment loss was recognized on intangible assets, property and equipment, investment property, and other nonfinancial assets in 2024, 2023 and 2022.

The carrying amounts of the nonfinancial assets (other current assets excluding interest receivables, receivables from employees, and dividends receivable, intangible assets, property and equipment, investment property, and other noncurrent assets excluding refundable deposits) as at December 31, 2024 and 2023 are disclosed in Notes 10, 11, 12, 13, and 14 to the financial statements.

Determination of the Incremental Borrowing Rate (IBR). The Company uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Company estimates the IBR using available observable inputs (such as the prevailing Bloomberg Valuation Service (BVAL) interest rates) adjusted for entity-specific estimates, to reflect the terms and conditions of the lease.

The Company has applied weighted average IBR ranging from 4.90% to 6.30% in 2024 and 2023, and 3.90% to 4.90% in 2022, respectively, for the computation of lease liabilities and ROU assets.

The carrying amounts of ROU assets and lease liabilities as at December 31, 2024 and 2023 are disclosed in Note 20 to the financial statements.

Determination of the Retirement Liability. The determination of the obligation and cost of retirement benefit is dependent on the assumptions used by the actuary in calculating such amounts. The assumptions are described in Note 19 to the financial statements and include, among others, discount rates and salary increase rates. Actual results that differ from the Company's assumptions are recognized in OCI and, therefore, generally affect the recorded obligation in such future periods.

The carrying amounts of net retirement benefit liability as at December 31, 2024 and 2023 are disclosed in Note 19 to the financial statements.

Recognition of Deferred Tax Assets. The Company reviews the carrying amount of deferred tax assets at each reporting date and adjusts the balance to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized within the period allowed by the tax regulations.

Recognized deferred tax assets as at December 31, 2024 and 2023 are disclosed in Note 21 to the financial statements. The Management believes that the Company will be able to generate sufficient taxable income against which these deferred tax assets can be utilized.

4. Financial Risk Management Objectives and Policies

The main risks arising from the Company's use of financial instruments include credit risk, liquidity risk, and market risks. The Company's overall risk management process focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The BOD regularly reviews and approves the appropriate policies for managing these financial risks, as summarized below.

Credit Risk

The Company's exposure to credit risk arises when the counterparty fails to fulfill its financial commitments to the Company under the prevailing contractual terms. Financial instruments that potentially subject the Company to credit risk consist primarily of trade receivables and other financial assets at amortized cost.

The carrying amounts of the financial assets at amortized cost represent its maximum credit exposure, without taking into account any collateral, other credit enhancements or credit risk mitigating features.

The table below presents the credit quality of the assets by indicating whether the assets are subjected to 12-month ECL or lifetime ECL. Assets that are credit-impaired, if any, are separately presented.

	2024			
	12-month ECL	Lifetime ECL – Not Credit-Impaired	Lifetime ECL – Credit-Impaired	Total
Financial asset at amortized cost:				
Cash in banks and cash equivalents	₱440,257,230	₱–	₱–	₱440,257,230
Trade receivables	–	440,150,621	356,878	440,507,499
Investments in government securities*	464,463,427	–	–	464,463,427
Interest receivables**	7,546,844	–	–	7,546,844
Receivables from employees**	673,929	–	–	673,929
Dividend receivable**	9,024	–	–	9,024
Refundable deposits***	12,998,068	–	–	12,998,068
	₱925,948,522	₱440,150,621	₱356,878	₱1,366,456,021

	2023			
	12-month ECL	Lifetime ECL – Not Credit-Impaired	Lifetime ECL – Credit Impaired	Total
Financial assets at amortized cost:				
Cash in banks and cash equivalents	₱479,619,777	₱–	₱–	₱479,619,777
Trade receivables	–	389,213,791	359,618	389,573,409
Investments in government securities*	464,135,145	–	–	464,135,145
Interest receivables**	6,993,595	–	–	6,993,595
Receivables from employees**	911,326	–	–	911,326
Dividend receivable**	33,519	–	–	33,519
Refundable deposits***	12,005,688	–	–	12,005,688
	₱963,699,050	₱389,213,791	₱359,618	₱1,353,272,459

**Excluding investments in government securities measured at FVOCI.*
***Included under "Other current assets" account in the statements of financial position.*
****Included under "Other noncurrent assets" account in the statements of financial position.*

The Company has no significant concentration of credit risk with any single counterparty or group of counterparties having similar characteristics.

Trade Receivables
The Company uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments analyzed by customer type, credit terms, and number of days outstanding. The Company adjusts historical default rates to forward-looking default rate by determining the closely related economic factor affecting each customer segment (i.e. percentage change in gross domestic product). At each reporting date, the observed historical default rates are updated and changes in the forward-looking estimates are analyzed.

The Company limits its exposure to credit risk by maintaining its cash and cash equivalents with highly reputable and pre-approved financial institutions and by transacting with recognized and creditworthy counterparties. In addition, customers are initially assessed for creditworthiness based on their profile (i.e., financial capacity, reputation, collateral). The Company also monitors receivable balances regularly. In accordance with the Risk-Based Capital Adequacy (RBCA) requirements, limits are imposed to avoid large exposure to a single client or counterparty and single equity relative to a particular issuer company or group of companies. Furthermore, credit exposures are minimized by collateral held in the form of securities purchased.

The aging analysis of the Company's receivables from customers arising from brokering transactions is as follows:

Days from Transaction Date of Counterparty	2024 Amount	2024 Collateral (Net of Haircut)	2024 Counterparty Exposure
1 - 2 days	₱–	₱–	₱–
3 - 13 days	–	–	–
14 - 31 days	–	–	–
Over 31 days	366,726	51,272,712	356,878
	₱366,726	₱51,272,712	₱356,878

Days from Transaction Date of Counterparty	2023 Amount	2023 Collateral (net of haircut)	2023 Counterparty Exposure
1 - 2 days	₱–	₱–	₱–
3 - 13 days	–	–	–
14 - 31 days	340	28,934	–
Over 31 days	362,064	10,748,170	359,618
	₱362,404	₱10,777,104	₱359,618

The SRC requires broker/dealers to maintain a stock record for each cash and margin account of every customer regardless of the frequency of transactions. The stock record is a record of accountability reflecting all securities for which the Company has custodial responsibility or proprietary ownership. Transactions in the customer accounts cover both money balances and security positions, with the security transaction and related money generally recorded on the settlement date.

On a regular basis, collateral valuations of customers' accounts are analyzed to ensure that these are sufficient to cover the outstanding balances due to the Company.

As at December 31, 2024 and 2023, receivables from customers arising from brokering transactions, which amounted to ₱0.4 million are secured by collateral comprising of equity securities of listed companies with a total market value of ₱69.9 million and ₱14.6 million, respectively (see Note 8).

Receivables from other brokers pertain to funds held by other brokers for the Company's global trading activities. Receivables from customers arising from client advisory services pertain to receivables from the Company's consultancy services for customers who intend to trade in global stock markets. The Company has assessed that ECL on these receivables are insignificant because the counterparties are companies with good credit standing and low risk of defaults. Further, the funds held by other brokers as at the end of the reporting period were subsequently reinvested to various equity and debt securities in other foreign markets. On the other hand, receivables from clearing house are due and collectible after two business days from the transaction date. Accordingly, no provision for credit losses was recognized on receivables from other brokers and clearing house and receivables from customers arising from client advisory services in 2024, 2023, and 2022.

Other Financial Assets at Amortized Cost

It is the Company's policy to measure ECL on other financial assets at amortized cost on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Company has assessed, considering the factors discussed in Note 3 to the financial statements, that the ECL on other financial assets at amortized cost is insignificant because the transactions with respect to these financial assets are with reputable banks and companies with good credit standing and low risk of defaults. Accordingly, no provision for credit losses was recognized in 2024, 2023 and 2022 on other financial assets at amortized cost.

Liquidity Risk

Liquidity risk arises when the Company encounters difficulties in raising adequate funds to meet its financial commitments at a reasonable cost. The Company's objectives in effectively managing its liquidity are: (a) to ensure that adequate funding is available at all times; (b) to meet the commitments as they arise without incurring unnecessary costs; and (c) to be able to access funding when needed at the least possible cost.

The Company monitors its cash flows, particularly the receivables from customers' collections and the funding requirements of operations, to ensure an adequate balance of inflows and outflows. Further, special reserve requirements for the customers of the Company are maintained in the bank (see Note 6).

The tables below summarize the maturity profile of the financial liabilities of the Company based on remaining undiscounted cash flows:

	2024				
	On Demand	1 to 3 Months	More than 3 to 12 Months	More than 1 to 5 Years	Total
Trade payables	₱1,331,029	₱171,188,023	₱–	₱–	₱172,519,052
Lease liabilities	–	574,684	1,269,895	15,000	1,859,579
Other current liabilities*	–	682,133	10,689,928	–	11,372,061
	₱1,331,029	₱172,444,840	₱11,959,823	₱15,000	₱185,750,692

**Excluding statutory liabilities amounting to ₱4.2 million as at December 31, 2024.*

	2023				
	On Demand	1 to 3 Months	More than 3 to 12 Months	More than 1 to 5 Years	Total
Trade payables	₱1,331,029	₱150,173,617	₱–	₱–	₱151,504,646
Lease liabilities	–	539,025	1,633,420	1,811,590	3,984,035
Other current liabilities*	–	512,981	6,070,448	–	6,583,429
	₱1,331,029	₱151,225,623	₱7,703,868	₱1,811,590	₱162,072,110

**Excluding statutory liabilities amounting to ₱2.7 million as at December 31, 2023.*

Market Risks

The Company is exposed to market risks, primarily those related to foreign currency risk and equity price risk. Management actively monitors these exposures, as follows:

Foreign Currency Risk. Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company periodically reviews the trend of the foreign exchange rates to address its exposure in foreign currency risk. The Company's policy is to maintain foreign currency exposure within acceptable limits and within the existing regulatory guidelines. The Company believes that its profile of foreign currency exposure on its assets is within conservative limits for a financial institution engaged in the type of business in which the Company is engaged.

The following table shows the Company's foreign currency-denominated monetary financial assets:

	December 31, 2024			
	United States (US) Dollar	Philippine Peso	Indonesian (ID) Rupiah	Philippine Peso
Financial assets:				
Cash in banks	$78,472	₱4,552,453	Rp–	₱–
Receivables from other brokers	7,073,365	410,354,192	1,022,373	3,681
	$7,151,837	₱414,906,645	Rp1,022,373	₱3,681

	December 31, 2023			
	US Dollar	Philippine Peso	ID Rupiah	Philippine Peso
Financial assets:				
Cash in banks	$6,376	₱354,293	$–	₱–
Receivables from other brokers	6,453,191	358,584,464	–	–
	$6,459,567	₱358,938,757	$–	₱–

For purposes of restating the outstanding balances of the Company's foreign currency-denominated monetary financial assets as at December 31, 2024, the exchange rates applied are ₱58.01, and ₱0.0036 per US$1 and IDR1, respectively. As at December 31, 2023, the exchange rates applied were ₱55.57 and ₱0.0036 per US$1 and IDR1, respectively.

The following table demonstrates the sensitivity to a reasonably possible change in the US Dollar and ID Rupiah exchange rates, with all other variables held constant, of the Company's income before tax and equity. There is no other impact on the Company's equity other than those already affecting profit or loss.

	Increase/Decrease in Exchange Rate		Effect on Income Before Income Tax	
	US Dollar	ID Rupiah	US Dollar	ID Rupiah
December 31, 2024	**1.10**	**0.0001**	**₱7,717,976**	**₱626,430**
	-1.10	**-0.0001**	**(7,717,976)**	**(626,430)**
December 31, 2023	0.80	0.0001	₱5,167,654	₱781,458
	-0.80	-0.0001	(5,167,654)	(781,458)

Equity Price Risk. Equity price risk arise when the fair values of quoted equity securities decrease as the result of the adverse changes in the quoted equity prices as affected by both rational and irrational market forces. The Company's equity risk exposure is mainly from its financial assets at FVPL.

The Company's policy is to maintain the risk to an acceptable level. Movement in share price is monitored regularly to determine the impact on its financial position.

The table below sets forth the impact of changes in PSE index (PSEi) in the Company's unrealized gain or loss on fair value changes of its financial assets at FVPL:

	2024		2023		2022	
Changes in PSEi	**15.34%**	**(15.34%)**	14.07%	(14.07%)	20.55%	(20.55%)
Changes in trading income at equity portfolio under:						
Food, beverage, and tobacco	**₱4,534,789**	**(₱4,534,789)**	₱572,517	(₱572,517)	₱166,098	(₱166,098)
Real estate	**35,189**	**(35,189)**	–	–	–	–
Banks	**29,668**	**(29,668)**	15,517	(15,517)	85,033	(85,033)
Property	**19**	**(19)**	18	(18)	50	(50)
Holding firms	**4**	**(4)**	7	(7)	70	(70)
Others	**5**	**(5)**	2	(2)	3	(3)
	₱4,599,674	**(₱4,599,674)**	₱588,061	(₱588,061)	₱251,251	(₱251,254)

The table below sets forth the impact of changes in National Association of Security Dealers Automated Quotations (NASDAQ) index and Hang Seng index in the Company's unrealized gain or loss on fair value changes of its financial assets at FVPL listed in the NASDAQ and Hong Kong Stock Exchange, respectively, in 2024:

Changes in NASDAQ index	18.68%	(18.68%)
Changes in trading income at equity portfolio under:		
Internet content and information	₱1,762,452	(₱1,762,452)
Changes in Hang Seng index	26.01%	(26.01%)
Changes in trading income at equity portfolio under:		
Holding firm	₱1,561,930	(₱1,561,930)

The sensitivity rate used for reporting equity price risk represents management's assessment of the reasonably possible change in equity pricing per PSEi, NASDAQ index, and Hang Seng index. The sensitivity analysis includes the Company's stock portfolio with amounts adjusted by its specific beta for their valuation at the reporting date.

Capital Management

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

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

The Company, being a broker/dealer in securities, is regulated by the PSE and the SEC and subject to the following capital requirements in accordance with the SRC.

Required Capitalization for Broker/Dealers

In compliance with SRC Rule 28 of the *2015 Implementing Rules and Regulations of Securities Regulation Code*, trading participants, who will be participating in a registered clearing agency, are required to have a reserve capital of ₱100.0 million effective November 9, 2015.

Unimpaired paid-up capital pertains to the Company's paid-up capital less any deficit. The unimpaired paid-up capital of the Company amounted to ₱1,911.1 million as at December 31, 2024, 2023, and 2022.

Details of the Company's common shares at ₱0.10 par value per share are as follows:

	2024		2023		2022	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Authorized Capital Stock						
Balance at beginning and end of year	8,000,000,000	₱800,000,000	8,000,000,000	₱800,000,000	8,000,000,000	₱800,000,000
Issued and Outstanding						
Balance at beginning of year	6,875,000,000	₱687,500,000	6,875,000,000	₱687,500,000	5,500,000,000	₱550,000,000
Addition	–	–	–	–	1,375,000,000	137,500,000
Balance at end of year	6,875,000,000	₱687,500,000	6,875,000,000	₱687,500,000	6,875,000,000	₱687,500,000

On April 13, 2022, the Company was listed in the PSE and issued 1,375.0 million shares from the Company's unissued capital stock at an offer price of ₱1.00 per share. The proceeds from the IPO amounted to ₱1,375.0 million. The excess of ₱1.00 offer price over ₱0.10 par value of the issued shares, equivalent to ₱1,237.5 million, was recognized as additional paid-in capital. Costs directly attributable to IPO that were recognized as deduction from additional paid-in capital amounted to ₱13.9 million. Offer expenses incidental to the IPO amounted to ₱21.7 million, ₱13.9 million of which are recognized as deduction to the additional paid-in capital.

Portion of the net proceeds for the IPO were used in the Company's scaling of global trading operations and general corporate purposes as at December 31, 2024.

The unapplied proceeds amounting to ₱781.2 million as at December 31, 2024 are maintained in the Company's cash in bank and certain investments in government securities. The unapplied proceeds will be used for the Company's scaling of global trading operations, general corporate purposes, and client account management expansion.

The Company's BOD approved the declaration and payment of the following cash dividends:

Date of Declaration	Record Date	Payment Date	Dividend per Share	Amount
May 10, 2024	May 30, 2024	June 19, 2024	₱0.000669	₱4,599,375
May 10, 2024	May 30, 2024	June 19, 2024	0.001971	13,550,625
May 12, 2023	June 9, 2023	July 5, 2023	0.000776	5,335,000
May 12, 2023	June 9, 2023	July 5, 2023	0.002328	16,005,000

<u>**Reserve Fund**</u>

The Company shall annually appropriate a certain minimum percentage of its previous year's audited net income and transfer the same to "Appropriated Retained Earnings" in compliance with SRC Rule 49.1 (B).

The Company appropriated a reserve fund amounting to ₱2.3 million, ₱5.2 million, and ₱2.0 million in 2024, 2023, and 2022, respectively.

The total amount of appropriated retained earnings amounted to ₱14.2 million, ₱11.9 million, and ₱6.7 million as at December 31, 2024, 2023, and 2022, respectively.

<u>**Net Liquid Capital (NLC)**</u>

The Company is required, at all times, to have and maintain an NLC of at least ₱5.0 million or 5% of its Aggregate Indebtedness (AI), whichever is higher.

In computing for NLC, all non-allowable assets/equities and collateralized liabilities will be deducted, and allowable liabilities and equities are added to equity per books. The equity eligible for NLC pertains to the sum of the following:

- Equity per books;
- Liabilities subordinated to the claims of creditors in conformity with SRC Rule 49.1 and in accordance with a prescribed schedule; and
- Deposits for future stock subscription for which an application for increase in capital stock or request for exemption for registration has been presented for filing or has been filed with the SEC.

The equity eligible for NLC shall exclude deferred income tax, revaluation reserves, and minority interest and any outside investment in affiliates and associates. In computing for NLC, the equity eligible for NLC is adjusted by the following:

- Adding unrealized gains (or deducting unrealized losses) in the accounts of the Company;
- Deducting fixed assets and assets which cannot be readily converted into cash (less any AI in accordance with SRC Rule 49.1);
- Deducting general guarantees and indemnities for loans and indebtedness other than those incurred by the Company, unless otherwise permitted by the SEC; and
- Deducting long and short securities differences.

AI shall mean the total money liabilities of a broker/dealer arising in connection with any transaction, and includes, among others, money borrowed, money payable against securities loaned and securities failed to receive, market value of securities borrowed to the extent to which no equivalent value is paid or credited (other than the market value of margin securities borrowed from customers and margin securities borrowed from non-customers), customers' and non-customers' free credit balances, and credit balances in customers' and non-customers' accounts having short positions in securities, but excluding the items set out in SRC Rule 49.1 (1) (D).

The Company's NLC met the minimum prescribed amounts as shown below:

	2024	2023	2022
NLC:			
Equity eligible for NLC	**₱2,018,635,679**	₱1,969,337,470	₱1,991,535,273
Less ineligible assets	**49,943,275**	46,827,078	44,387,021
	1,968,692,404	1,922,510,392	1,947,148,252
Required NLC:			
Higher of:			
5% of AI	**9,807,348**	8,447,083	9,228,362
Minimum amount	**5,000,000**	5,000,000	5,000,000
	9,807,348	8,447,083	9,228,362
Net risk-based capital excess	**₱1,958,885,056**	₱1,914,063,309	₱1,937,919,890

Ratio of AI to NLC
The Company shall not permit its AI to all other persons to exceed 2,000% of its NLC.

The Company's ratio of AI to NLC is 10%, 9%, and 10% as at December 31, 2024, 2023, and 2022, respectively.

RBCA Requirement/Ratio
The RBCA requirement/ratio refers to the minimum level of capital to be maintained by firms which are licensed or securing a broker/dealer license, taking into consideration the firm size, complexity, and business risk. Such risks that are considered in determining the capital requirement include, among others, operational, position, counterparty, large exposure, underwriting, and margin financing risks. The RBCA ratio should be greater than or equal to 1.1.

The RBCA ratio is the ratio linking the NLC of the Company to its Total Risk Capital Requirement (TRCR), calculated as the Company's NLC divided by its TRCR. The TRCR is the sum of:

- Operational Risk Requirement (ORR);
- Credit Risk Requirement which include requirements for Counterparty Risk, Settlement Risk, Large Exposure Risk, and Margin Lending/Financing Risk; and
- Position or Market Risk Requirement.

	2024	2023	2022
NLC	**₱1,968,692,404**	₱1,922,510,392	₱1,947,148,252
TRCR:			
ORR	**27,886,792**	32,253,457	24,792,836
Credit risk	**34,341,494**	34,544,618	44,704,226
Position risk	**87,212,331**	66,694,340	64,067,115
Total risk capital requirement	**₱149,440,617**	₱133,492,415	₱133,564,177
RBCA ratio	**1,317%**	1,440%	1,458%

As at December 31, 2024, 2023 and 2022, the Company is compliant with the required RBCA ratio.

Ratio of Core Equity to ORR

The Company's core equity shall be at all times greater than its ORR.

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

The Company's ratio of core equity to ORR is as follows:

	2024	2023	2022
Capital stock	**₱687,500,000**	₱687,500,000	₱687,500,000
Beginning retained earnings	**87,675,054**	86,017,670	33,780,545
Additional paid in capital	**1,223,556,878**	1,223,556,878	1,223,556,878
Less dividends declared	**(18,150,000)**	(21,340,000)	–
Core equity	**1,980,581,932**	1,975,734,548	1,944,837,423
ORR	**27,886,792**	32,253,457	24,792,836
Ratio of Core Equity to ORR	**7,102%**	6,126%	7,844%

5. Fair Value Measurement

The following table presents the carrying amount and fair value of the Company's assets measured at fair value and for which fair value is disclosed, and the corresponding fair value hierarchy:

		2024			
			Fair Value		
	Note	Carrying Amount	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets measured at fair value:					
Financial assets at FVPL	7	₱65,382,724	₱65,382,724	₱–	₱–
Investments in government securities measured at FVOCI	9	787,172,302	787,172,302	–	–
Assets for which fair value is disclosed:					
Investment property	13	8,356,726	–	42,900,120	–
Investments in government securities measured at amortized cost	9	464,463,427	–	482,373,197	–
		₱1,325,375,179	₱852,555,026	₱525,273,317	₱–

		2023			
			Fair Value		
	Note	Carrying Amount	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets measured at fair value:					
Financial assets at FVPL	7	₱6,922,944	₱6,922,944	₱–	₱–
Investments in government securities measured at FVOCI	9	790,058,973	790,058,973	–	–
Assets for which fair value is disclosed:					
Investment property	13	8,999,549	–	29,052,000	–
Investments in government securities measured at amortized cost	9	464,135,145	–	484,691,222	–
		₱1,270,116,611	₱796,981,917	₱513,743,222	₱–

The Company used the following valuation techniques to determine fair value measurements:

Financial Assets at FVPL. The Company's financial assets at FVPL as at December 31, 2024 and 2023 are carried at fair values based on sources classified under the Level 1 category. The fair values of financial assets at FVPL are based on prevailing quoted market prices, which are usually the closing prices from active markets as at reporting date.

Investments in Government Securities. The fair value of investments in government securities are generally based on quoted market prices. If the market prices are not readily available, fair values are estimated using either values obtained from independent parties offering pricing services or adjusted quoted market prices of comparable investments, or using the discounted cash flow methodology.

Investment Property. Valuations were derived on the basis of recent sales of similar properties in the same areas as the investment property and taking into account the economic conditions prevailing at the time the valuations were made and comparability of similar properties sold with the property being valued. The fair valuation is classified under Level 2 category.

The significant unobservable inputs used in the fair value measurement of the Company's investment property are the estimated net price per square meter and various factors such as size, location, and utility, among others. Significant increases (decreases) in the estimated net price per square meter in isolation would result in a significantly higher (lower) fair value measurement. Further, choosing comparable with different inputs would result in a significantly different fair value measurement.

The Company has determined that the current use of its investment property as at December 31, 2024 and 2023 is its highest and best use.

There were no transfers between Level 1, Level 2, and Level 3 fair value measurements in 2024 and 2023.

The tables below present the financial assets and liabilities whose carrying amount approximates their fair value because of their short-term nature or their fair value cannot be reliably determined:

	2024	2023
Financial assets at amortized cost:		
Cash and cash equivalents	**₱440,287,230**	₱479,631,777
Trade receivables	**440,150,621**	389,213,791
Interest receivables*	**7,546,844**	6,993,595
Receivables from employees*	**673,929**	911,326
Dividend receivable*	**9,024**	33,519
Refundable deposits**	**12,998,068**	12,005,688
	₱901,665,716	₱888,789,696

**Included under "Other current assets" account in the statements of financial position.*
***Included under "Other noncurrent assets" account in the statements of financial position.*

	2024	2023
Other financial liabilities at amortized cost:		
Trade payables	**₱172,519,052**	₱151,504,646
Other current liabilities*	**11,372,061**	6,583,429
	₱183,891,113	₱158,088,075

**Excluding statutory liabilities aggregating to ₱4.2 million and ₱2.7 million as at December 31, 2024 and 2023, respectively.*

Current Financial Assets and Liabilities. The carrying amounts of cash and cash equivalents, trade receivables, interest receivables, receivables from employees, trade payables, and other current liabilities (excluding statutory liabilities) approximate their fair values due to their short-term nature.

Refundable Deposits. The carrying amount of refundable deposits approximates fair value. The management believes that the effect of discounting the future receipts from these financial instruments using the prevailing market rates is not significant.

6. Cash and Cash Equivalents

This account consists of:

	2024	2023
Cash on hand and in banks	**₱153,201,835**	₱177,748,233
Short-term placements	**287,085,395**	301,883,544
	₱440,287,230	₱479,631,777

Cash in banks earn interest at prevailing bank deposit rates. Short-term placements are made for varying periods of up to three months, depending on the Company's immediate cash requirements, and earn interest at the respective short-term placement rates ranging from 5.80% to 6.30%, 5.40% to 6.30%, and 0.90% to 5.60% per annum in 2024, 2023, and 2022, respectively.

Interest income was derived from:

	Note	2024	2023	2022
Investments in government securities	9	**₱64,494,021**	₱64,196,661	₱26,121,000
Receivables from other brokers	8	**13,051,671**	18,222,492	7,486,742
Short-term placements		**11,495,994**	11,856,609	4,656,506
Cash in banks		**2,243,971**	1,469,040	1,881,330
		₱91,285,657	₱95,744,802	₱40,145,578

In compliance with SRC Rule 49.2-1 covering customer protection and custody of securities, the Company maintains a special reserve bank account for the exclusive benefit of its customers amounting to ₱429.5 million and ₱458.2 million as at December 31, 2024 and 2023, respectively. The Company's reserve requirement is determined weekly based on the SEC's prescribed computation. As at December 31, 2024 and 2023, the Company's reserve accounts are adequate to cover its reserve requirements.

7. Financial Assets at FVPL

This account consists of shares listed in the PSE and other global stock exchanges aggregating ₱65.4 million and ₱6.9 million as at December 31, 2024 and 2023, respectively.

The Company's financial assets at FVPL as at December 31, 2024 and 2023 are carried at fair values based on prevailing quoted market prices or bidding dealer price quotations from active markets as at the reporting date (see Note 5).

Dividend income earned from investments in equity securities amounted to ₱3.5 million, ₱2.2 million, and ₱3.6 million in 2024, 2023, and 2022, respectively.

Net trading gains on investments in equity securities consist of the following:

	2024	2023	2022
Realized fair value gains (losses) from:			
Local trading	**₱43,311,589**	₱22,025,622	₱26,113,577
Global trading	**23,520,514**	(20,143,546)	6,608,476
Unrealized losses on fair value changes of stocks held for:			
Local trading	**(3,204,529)**	(1,454,215)	(255,110)
Global trading	**(562,093)**	–	–
	₱63,065,481	₱427,861	₱32,466,943

8. Trade Receivables

This account consists of:

	2024	2023
Receivables from:		
Other brokers	**₱410,357,873**	₱386,716,956
Clearing house	**29,506,677**	₱2,494,049
Customers	**642,949**	362,404
	440,507,499	389,573,409
Less allowance for credit losses	**356,878**	359,618
	₱440,150,621	₱389,213,791

Receivables from other brokers pertain to the funds deposited with other brokers as at December 31, 2024 and 2023 in order for the Company to trade in other foreign markets. Interest income earned from receivables from other brokers amounted to ₱13.1 million, ₱18.2 million, and ₱7.5 million in 2024, 2023, and 2022, respectively (see Note 6).

Receivables from clearing house are due and collectible after two business days from the transaction date. Accordingly, balances as at December 31, 2024 and 2023, were fully collected in January 2025 and 2024, respectively.

Receivables from customers pertain to amounts due from brokering transactions and client advisory services. Receivables from customers arising from brokering transactions, which are due within two days from the reporting date, are as follows:

	2024		2023	
	Money Balances	**Security Valuation - Long**	Money Balances	Security Valuation - Long
Cash and fully secured accounts:				
More than 250%	**₱9,848**	**₱69,949,250**	₱1,850	₱14,601,747
Between 200% and 250%	–	–	–	–
Between 150% and 200%	–	–	–	–
Between 100% and 150%	–	–	–	–
Partially secured accounts	–	–	4,252	1,440
Unsecured accounts	**356,878**	–	356,302	–
	366,726	**69,949,250**	362,404	14,603,187
Less allowance for credit losses	**356,878**	–	359,618	–
	₱9,848	**₱69,949,250**	₱2,786	₱14,603,187

Collaterals related to receivables from customers arising from brokering transactions pertain to listed equity securities amounting to ₱69.9 million and ₱14.6 million as at December 31, 2024 and 2023, respectively. The fair values of these securities are based on prevailing quoted market prices, which are usually the closing prices from active markets as at the reporting date.

Trade receivables from related parties amounted to ₱0.2 million as at December 31, 2023.

Receivables from customers arising from client advisory services amounting to ₱0.3 million as at December 31, 2024 are due within 30 days from the reporting date.

Reversal of credit losses pertains to specific reversals on past due receivables from customers. The movements in the allowance for credit losses are as follows:

	2024	2023
Balance at beginning of year	**₱359,618**	₱366,646
Reversal of credit losses	**(2,740)**	(7,028)
Balance at end of year	**₱356,878**	₱359,618

Reversal of credit losses on trade receivables in 2022 amounted to ₱135,506.

9. Investments in Government Securities

The Company's investments in government securities measured at FVOCI as at December 31, 2024 and 2023 are carried at fair values based on sources classified under the Level 1 category. The fair values of investments in government securities are based on prevailing quoted market prices or bidding dealer price quotations from active markets as at the reporting date (see Note 5).

The balances and movements of this account are as follows:

	2024		
	Financial Assets at		
	FVOCI	**Amortized Cost**	**Total**
Balance at beginning of year	**₱790,058,973**	**₱464,135,145**	**₱1,254,194,118**
Net amortization of discount (premium)	**(2,956,794)**	**328,282**	**(2,628,512)**
Net unrealized fair value gains	**70,123**	**–**	**70,123**
Balance at end of year	**₱787,172,302**	**₱464,463,427**	**₱1,251,635,729**

	2023		
	Financial Assets at		
	FVOCI	Amortized Cost	Total
Balance at beginning of year	₱761,395,966	₱513,818,936	₱1,275,214,902
Net amortization of discount (premium)	(2,771,068)	316,209	(2,454,859)
Maturity	–	(50,000,000)	(50,000,000)
Net unrealized fair value gains	31,434,075	–	31,434,075
Balance at end of year	₱790,058,973	₱464,135,145	₱1,254,194,118

In 2022, the Company acquired various investments in government securities aggregating ₱1,244.7 million. Investments amounting to ₱781.2 million are classified as financial assets at FVOCI while the remaining ₱463.5 million investments are classified as financial assets at amortized cost.

The interest rates of financial assets at FVOCI ranges from 6.30% to 7.30% per annum in 2024, 2023, and 2022.

The interest rates of financial assets at amortized cost ranges from 4.60% to 7.50% per annum in 2024 and 2023, and 4.40% to 7.50% per annum in 2022.

Interest income on investments in government securities consists of (see Note 6):

	2024	2023	2022
Financial assets at FVOCI	**₱39,514,042**	₱39,566,392	₱16,347,496
Financial assets at amortized cost	**24,979,979**	24,630,269	9,773,504
	₱64,494,021	₱64,196,661	₱26,121,000

The cumulative unrealized gains (losses) on fair value changes of financial assets at FVOCI recognized in the statements of financial position are as follows:

	2024		
	Cumulative Unrealized Gains	**Deferred Tax Expense**	**Net**
Balances at beginning of year	**₱12,748,068**	**(₱3,187,017)**	**₱9,561,051**
Unrealized gain	**70,123**	**(17,531)**	**52,592**
Balances at end of year	**₱12,818,191**	**₱3,204,548**	**₱9,613,643**

	2023		
	Cumulative Unrealized Gains (Losses)	Deferred Tax Benefit (Expense)	Net
Balances at beginning of year	(₱18,686,007)	₱4,671,502	(₱14,014,505)
Unrealized gain	31,434,075	(7,858,519)	23,575,556
Balances at end of year	₱12,748,068	(₱3,187,017)	₱9,561,051

	2022		
	Cumulative Unrealized Gains (Losses)	Deferred Tax Benefit (Expense)	Net
Balances at beginning of year	₱–	₱–	₱–
Unrealized loss	(18,686,007)	4,671,502	(14,014,505)
Balances at end of year	(₱18,686,007)	4,671,502	(₱14,014,505)

The Company's financial assets at FVOCI as at December 31, 2024 and 2023 are carried at fair values based on prevailing quoted market prices or bidding dealer price quotations from active markets as at the reporting date (see Note 5).

10. Other Current Assets

This account consists of:

	2024	2023
Excess tax credits	**₱7,602,330**	₱7,708,685
Interest receivables	**7,546,844**	6,993,595
Prepayments	**1,561,888**	1,411,653
Receivable from employees	**673,929**	911,326
Dividends receivable	**9,024**	33,519
Others	**394,905**	67,827
	₱17,788,920	₱17,126,605

Excess tax credits pertains to the Company's excess income tax payments over the amount due. Unapplied or excess income tax payments are carried forward and can be utilized in succeeding years.

Interest receivables, which are related to short-term placements, receivables from other brokers, and investments in government securities, are generally collectible within one year.

Prepayments, which are related to rentals, subscriptions, insurance, and taxes and licenses, are amortized over the period covered by the payment.

Receivable from employees are unsecured, noninterest-bearing, and generally collectible within one year.

Others are noninterest-bearing and generally settled within one year.

11. Intangible Assets

This account consists of:

	2024	2023
Software and licenses	**₱4,193,775**	₱2,338,671
Exchange trading right	**475,000**	475,000
	₱4,668,775	₱2,813,671

Software and Licenses

The balance and movements of software and licenses are as follows:

	2024	2023
Cost		
Balance at beginning of year	**₱5,376,327**	₱4,140,327
Additions	**2,532,500**	1,236,000
Balance at end of year	**7,908,827**	5,376,327
Accumulated Amortization		
Balance at beginning of year	**3,037,656**	2,477,480
Amortization	**677,396**	560,176
Balance at end of year	**3,715,052**	3,037,656
Carrying Amount	**₱4,193,775**	₱2,338,671

In 2022, the Company developed an upgrade of its trader management system, which was completed in 2023. The related intangible asset amounting to ₱1.0 million, which was presented as "Intangible assets under development" in 2022, was reclassified to software and licenses in 2023. This is considered as noncash financial information in the statements of cash flows.

Exchange Trading Right

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

Republic Act (RA) No. 8799 entitled SRC to prescribe the conversion of PSE from a non-stock corporation into a stock corporation (demutualization) effective August 8, 2001, pursuant to a conversion plan approved by the SEC.

As a result of the conversion plan and on the basis of the relative fair values of the PSE shares and the exchange trading right as of the time of the demutualization, the Company's membership in the PSE, originally amounting to ₱1.0 million was bifurcated equally into (a) investment in PSE shares (classified as financial assets at FVPL) and (b) exchange trading right. The investment in PSE shares was sold in 2020.

As at December 31, 2024 and 2023, the carrying amount of the exchange trading right is ₱0.5 million.

As at December 31, 2024 and 2023, the latest transacted price of the exchange trading right, as provided by the PSE, is ₱8.0 million.

Details of depreciation and amortization are as follows:

	Note	**2024**	2023	2022
Property and equipment	12	**₱4,211,555**	₱3,172,476	₱3,247,377
Intangible assets		**677,396**	560,176	398,318
Investment property	13	**642,823**	642,823	642,823
		₱5,531,774	₱4,375,475	₱4,288,518

No impairment loss was recognized on intangible assets in 2024, 2023, and 2022.

12. Property and Equipment

The balances and movements of this account are as follows:

		2024				
	Note	Office Condominium Units and Improvements	Leasehold Improvements	Furniture, Fixtures, and Office Equipment	Construction in Progress	Total
Cost						
Balances at beginning of year		₱21,123,830	₱5,017,465	₱22,059,175	₱2,924,238	₱51,124,708
Additions		113,321	439,169	975,469	3,522,022	5,049,981
Reclassification		–	5,610,053	836,207	(6,446,260)	–
Disposal		–	–	(18,920)	–	(18,920)
Balances at end of year		21,237,151	11,066,687	23,851,931	–	56,155,769
Accumulated Depreciation and Amortization						
Balances at beginning of year		13,829,627	3,141,377	21,584,488	–	38,555,492
Depreciation and amortization	11	3,044,182	784,408	382,965	–	4,211,555
Disposal		–	–	(18,920)	–	(18,920)
Balances at end of year		16,873,809	3,925,785	21,948,533	–	42,748,127
Carrying Amounts		₱4,363,342	₱7,140,902	₱1,903,398	₱–	₱13,407,642

		2023				
	Note	Office Condominium Units and Improvements	Leasehold Improvements	Furniture, Fixtures, and Office Equipment	Construction in Progress	Total
Cost						
Balances at beginning of year		₱22,776,802	₱5,017,465	₱22,028,345	₱–	₱49,822,612
Additions		3,561,283	–	272,259	2,924,238	6,757,780
Derecognition		(5,214,255)	–	(241,429)	–	(5,455,684)
Balances at end of year		21,123,830	5,017,465	22,059,175	2,924,238	51,124,708
Accumulated Depreciation and Amortization						
Balances at beginning of year		16,607,646	2,645,740	21,585,314	–	40,838,700
Depreciation and amortization	11	2,436,236	495,637	240,603	–	3,172,476
Derecognition		(5,214,255)	–	(241,429)	–	(5,455,684)
Balances at end of year		13,829,627	3,141,377	21,584,488	–	38,555,492
Carrying Amounts		₱7,294,203	₱1,876,088	₱474,687	₱2,924,238	₱12,569,216

Additions to ROU assets (included as part of "Office condominium units and improvements" in "Property and equipment" account) amounting to ₱0.1 million, ₱3.5 million, and ₱0.9 million in 2024, 2023, and 2022, respectively, are considered as noncash financial information in the statements of cash flows (see Note 20).

In 2022, additions to property and equipment amounted to ₱1.1 million.

In 2024, the Company sold fully-depreciated office equipment for ₱446, resulting to a gain of the same amount.

In 2023, the Company derecognized ROU assets amounting to ₱5.2 million due to the expiration of the related lease contracts (see Note 20), and sold fully-depreciated office equipment for ₱1,786, resulting to a gain of the same amount.

As at December 31, 2024 and 2023, cost of fully-depreciated assets still in use amounted to ₱28.9 million and ₱28.2 million, respectively.

13. Investment Property

Investment property pertains to the condominium unit, which is currently held by the Company for capital appreciation.

The balance and movements of this account are as follows:

	Note	2024	2023
Cost			
Balances at beginning and end of year		**₱12,856,487**	₱12,856,487
Accumulated Depreciation			
Balances at beginning of year		**3,856,938**	3,214,115
Depreciation	11	**642,823**	642,823
Balances at end of year		**4,499,761**	3,856,938
Carrying Amount		**₱8,356,726**	₱8,999,549

The Company did not earn any income from the investment property in 2024, 2023, and 2022.

Direct costs incurred related to its investment property, which pertain to real property tax, amounted to ₱25,612 in 2024, 2023, and 2022.

The fair value of investment property amounted to ₱42.9 million and ₱29.1 million as at December 31, 2024 and 2023, respectively. The fair value was determined using the Sales Comparison Approach, which compares sales of similar or substitute properties and related market data to establish an estimated value (see Note 5).

14. Other Noncurrent Assets

This account consists of:

	Note	2024	2023
Refundable deposits from:			
Clearing and Trade Guarantee Fund (CTGF) contributions		**₱12,649,072**	₱11,630,492
Rental	20	**348,996**	375,196
Others		**279,012**	326,262
		₱13,277,080	₱12,331,950

Refundable deposit from CTGF pertains to the monthly contributions paid by the Company, as a Clearing Member, to the CTGF maintained by the Securities Clearing Corporation of the Philippines (SCCP). The monthly contribution is equivalent to 1/500 of 1% applied to the Clearing Member's total monthly turnover value less block sales and cross transactions of the same flag. The deposit is refundable upon the cessation of the business and/or termination of the membership with the SCCP, provided that all liabilities owing to the SCCP at the time of termination, whether actual or contingent, shall have been satisfied or paid in full.

15. Trade Payables

This account consists of:

	2024		2023	
	Money Balance	Security Valuation - Long	Money Balance	Security Valuation - Long
Payable to customers:				
With money balance	₱171,188,023	₱5,343,003,672	₱150,173,617	₱5,995,210,304
Without money balance	–	2,842,656,597	–	4,385,478,483
	171,188,023	8,185,660,269	150,173,617	10,380,688,787
Dividends payable to customers	1,331,029	–	1,331,029	–
	₱172,519,052	₱8,185,660,269	₱151,504,646	₱10,380,688,787

Payable to customers pertains to segregated bank balances received and held for customers in the course of its regulated trading activities. These are noninterest-bearing and payable within two business days from reporting date.

Dividends payable to customers are noninterest-bearing and payable on demand.

Trade payables are due to the following parties:

	Note	2024	2023
Third parties		₱163,250,652	₱139,876,826
Related parties	17	9,268,400	11,627,820
		₱172,519,052	₱151,504,646

16. Other Current Liabilities

This account consists of:

	2024	2023
Taxes payable	₱3,789,111	₱2,325,409
Accruals for:		
Commissions and employee bonuses	9,195,646	4,195,230
Professional fees	919,390	1,045,390
Membership fees	193,527	200,799
Others	321,442	371,114
Trading fee payable	488,606	512,981
Accounts payable	253,450	257,915
Statutory payables	460,711	387,880
	₱15,621,883	₱9,296,718

Taxes payable, which pertains to output tax, withholding tax, and percentage tax payable to the BIR, are generally settled in the succeeding month from transaction date.

Accruals and accounts payable are noninterest-bearing and generally settled within one year.

Trading fee payable and statutory payables are generally settled in the succeeding month from the transaction date.

17. Related Party Transactions

The Company has transactions with its related parties in the ordinary course of business as follows:

	Nature of Transactions	Amount of Transactions 2024	Amount of Transactions 2023	Outstanding Balance 2024	Outstanding Balance 2023	Terms and Conditions
Trade Receivables						
Affiliate with common officers and stockholders	Commission expense	₱–	₱3,026,633	₱–	₱213,477	Noninterest-bearing; secured; generally collected in cash within one year
Trade Payables (see Note 15)						
Key management personnel	Commission income	₱205,167	₱412,941	₱8,634,540	₱10,793,345	Noninterest-bearing; secured; no guarantee; settled in cash within one year
Affiliate with common officers and stockholders	Commission income	400,025	676,571	633,860	834,475	
				₱9,268,400	₱11,627,820	
Other Current Liabilities						
Affiliate with common officers and stockholders (see Note 20)	Lease of properties	₱1,115,400	₱1,115,400	₱903,516	₱1,927,788	Unsecured; settled in cash within one year
Affiliate with common officers and stockholders	Purchase of goods	1,597,314	175,018	–	–	Unsecured; settled in cash within one year
				₱903,516	₱1,927,788	
Personnel Costs						
Key management personnel	Short-term employee benefits	₱8,062,309	₱6,675,273	₱–	₱–	Noninterest-bearing, unsecured and payable within the month of incurrence
	Directors' fees	115,000	110,000	–	–	
	Retirement benefits	263,458	261,916	4,322,234	3,479,206	Noninterest-bearing, unsecured and payable upon retirement

No impairment loss was recognized on trade receivables from related parties in 2024, 2023, and 2022.

18. Personnel Costs

This account consists of:

	Note	2024	2023	2022
Salaries and wages		**₱48,962,671**	₱40,189,293	₱35,103,170
Retirement expense	19	**2,686,399**	1,839,752	2,248,659
Other benefits		**8,411,649**	5,780,877	6,582,290
		₱60,060,719	₱47,809,922	₱43,934,119

Personnel costs were distributed as follows:

	2024	2023	2022
Cost of services	**₱40,162,024**	₱32,179,119	₱29,179,822
Operating expenses	**19,898,695**	15,630,803	14,754,297
	₱60,060,719	₱47,809,922	₱43,934,119

19. Retirement Plan

The Company has a funded, noncontributory defined benefit retirement plan covering substantially all of its regular employees. The benefits are based on a certain percentage of the final monthly basic salary for every year of credited service of the employees. The funded benefit obligation under the defined benefit retirement plan is determined using the projected unit credit method. The benefits to be received by the employees under the defined benefit retirement plan shall not be less than the minimum mandated benefit under RA No. 7641, *The Retirement Pay Law*. There were no termination, curtailment, or settlement in 2024 and 2023. The latest actuarial valuation of the present value of the defined benefit obligation as at December 31, 2024 is dated January 26, 2025.

The components of retirement benefit costs included under "Personnel costs" and "Interest expense" accounts in the statements of comprehensive income are as follows:

	Note	**2024**	2023	2022
Current service cost	18	**₱2,686,399**	₱1,839,752	₱2,248,659
Net interest cost		**1,712,482**	1,331,476	1,026,489
		₱4,398,881	₱3,171,228	₱3,275,148

The components of net retirement benefit liability recognized in the statements of financial position are as follows:

	2024	2023
Balance at beginning of year	**₱27,620,668**	₱18,239,384
Current service cost	**2,686,399**	1,839,752
Net interest cost	**1,712,482**	1,331,476
Remeasurement loss (gain) recognized in OCI	**(1,095,045)**	6,510,056
Contributions	**–**	(300,000)
Balance at end of year	**₱30,924,504**	₱27,620,668

The funded status and amounts recognized in the statements of financial position for the net retirement benefit liability are as follows:

	2024	2023
Present value of retirement benefit liability	**₱32,083,286**	₱28,707,509
Fair value of plan assets	**(1,158,782)**	(1,086,841)
	₱30,924,504	₱27,620,668

The changes in the present value of the retirement benefit liability are as follows:

	2024	2023
Balance at beginning of year	**₱28,707,509**	₱19,816,199
Current service cost	**2,686,399**	1,839,752
Interest cost	**1,779,866**	1,446,583
Remeasurement loss (gain) recognized in OCI:		
Experience adjustments	**(1,090,488)**	2,737,463
Change in financial assumptions	**–**	3,722,512
Benefits paid	**–**	(855,000)
Balance at end of year	**₱32,083,286**	₱28,707,509

The changes in the fair value of the plan assets are as follows:

	2024	2023
Balance at beginning of year	**₱1,086,841**	₱1,576,815
Contributions	**–**	300,000
Interest income	**67,384**	115,107
Remeasurement gain (loss) recognized in OCI	**4,557**	(50,081)
Benefits paid	**–**	(855,000)
Balance at end of year	**₱1,158,782**	₱1,086,841
Actual return on plan assets	**₱71,941**	₱4,557

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	2024	2023
Cash in bank	**3.43%**	8.91%
Debt securities	**96.45%**	90.88%
Others	**0.12%**	0.21%
	100.00%	100.00%

The cumulative remeasurement gains (losses) on retirement benefits recognized in the statements of financial position are as follows:

	2024		
	Cumulative Remeasurement Gains	**Deferred Tax Expense (see Note 21)**	**Net**
Balances at beginning of year	**₱1,475,966**	**(₱368,993)**	**₱1,106,973**
Remeasurement gain	**1,095,045**	**(273,761)**	**821,284**
Balances at end of year	**₱2,571,011**	**(₱642,754)**	**₱1,928,257**

	2023		
	Cumulative Remeasurement Gains (Losses)	Deferred Tax Benefits (Expense)	Net
Balances at beginning of year	₱7,986,022	(₱1,996,507)	₱5,989,515
Remeasurement loss	(6,510,056)	1,627,514	(4,882,542)
Balances at end of year	₱1,475,966	(₱368,993)	₱1,106,973

	2022		
	Cumulative Remeasurement Gains	Deferred Tax Expense	Net
Balances at beginning of year	₱3,210,084	(₱802,522)	₱2,407,562
Remeasurement gain	4,775,938	(1,193,985)	3,581,953
Balances at end of year	₱7,986,022	(₱1,996,507)	₱5,989,515

The principal assumptions used in determining retirement benefit liability are as follows:

	2024	2023
Discount rate	**6.20%**	6.20%
Future salary increase	**5.00%**	5.00%

Sensitivity analysis on retirement benefit liability is as follows:

	Change in Assumption	Effect on Retirement Benefit Liability 2024	2023
Discount rate	+1.00%	**(₱3,765,081)**	(₱3,414,137)
	-1.00%	**4,529,543**	4,116,435
Salary increase rate	+1.00%	**4,303,057**	3,911,490
	-1.00%	**(3,644,501)**	(3,305,329)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the end of the reporting period.

The plan exposes the Company to actuarial risk such as interest rate risk, longevity risk, and salary risk.

Interest Risks. The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation.

Longevity and Salary Risks. The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

As at December 31, 2024, the maturity analysis of the undiscounted retirement benefit liability is as follows:

Year	Amount
More than one year to five years	₱12,675,339
More than five years to 10 years	12,148,030
More than 10 years to 15 years	26,960,535
More than 15 years	202,774,134
	₱254,558,038

As at December 31, 2024, the average duration of the net retirement benefit liability at the end of the reporting period is 34 years.

20. Leases

The Company, as lessee, has lease agreements for its office spaces with lease terms ranging from two to three years as at December 31, 2024, and 2023. The leases are renewable upon mutual agreement of the parties. Refundable deposits on these lease agreements amounted ₱0.3 million and ₱0.4 million as at December 31, 2024 and 2023, respectively (see Note 14).

The balance and movements of ROU assets (included as part of "Office Condominium Units and Improvements " account in Property and Equipment) are as follows:

	Note	**2024**	2023
Cost			
Balance at beginning of year		**₱4,406,706**	₱6,076,476
Additions	12	**113,321**	3,544,485
Derecognition	12	**–**	(5,214,255)
Balance at end of year		**4,520,027**	4,406,706
Accumulated Depreciation			
Balance at beginning of year		**678,584**	4,397,640
Depreciation		**2,102,145**	1,495,199
Derecognition	12	**–**	(5,214,255)
Balance at end of year		**2,780,729**	678,584
Carrying Amount		**₱1,739,298**	₱3,728,122

The balance and movements of lease liabilities are as follows:

	Note	**2024**	2023
Balance at beginning of year		**₱3,761,773**	₱1,695,532
Additions		**113,321**	3,544,485
Interest expense	19	**177,367**	58,056
Lease payments		**(2,217,445)**	(1,536,300)
Balance at end of year		**₱1,835,016**	₱3,761,773

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

	2024	2023
Current	**₱1,820,166**	₱1,998,815
Noncurrent	**14,850**	1,762,958
	₱1,835,016	₱3,761,773

Lease liabilities are payable to the following parties:

	Note	2024	2023
Third parties		**₱931,500**	₱1,833,985
Related parties	17	**903,516**	1,927,788
		₱1,835,016	₱3,761,773

The Company recognized the following lease-related expenses:

	2024	2023	2022
Depreciation	**₱2,102,145**	₱1,495,199	₱1,379,709
Interest expense on lease liabilities	**177,367**	58,056	54,611
	₱2,279,512	₱1,553,255	₱1,434,320

Future minimum lease commitments under non-cancellable leases as at December 31, 2024 are as follows:

Within one year	₱1,844,579
After one year but no more than three years	15,000
	₱1,859,579

21. Income Taxes

The components of income taxes as reported in the statements of comprehensive income are as follows:

	Note	2024	2023	2022
Reported in Profit or Loss				
Current tax expense - MCIT		**₱126,996**	₱–	₱265,860
Deferred tax expense (benefit)		**(5,113,924)**	(18,471,870)	957,930
		(₱4,986,928)	(₱18,471,870)	₱1,223,790
Reported in OCI				
Deferred tax expense (benefit) on:				
Remeasurement gains (losses) on net retirement benefit liability	19	**₱273,761**	(₱1,627,514)	₱1,193,985
Cumulative unrealized gains (losses) on changes in fair value of financial assets at FVOCI	9	**17,531**	7,858,519	(4,671,502)
		₱291,292	₱6,231,005	(₱3,477,517)

The components of the Company's net deferred tax assets are as follows:

	Note	2024	2023
Deferred tax assets:			
NOLCO		**₱28,013,900**	₱20,733,560
Net retirement benefit liability		**7,731,126**	6,905,167
Lease liabilities		**458,754**	940,443
Excess MCIT over RCIT		**392,856**	265,860
Allowance for credit losses		**89,220**	89,905
Excess of cost over fair value of financial assets at FVPL		**1,336,229**	459,527
		38,022,085	29,394,462
Deferred tax liabilities:			
Unrealized foreign exchange gain		**11,643,157**	7,343,890
Cumulative unrealized gain on changes in fair value of debt securities at FVOCI	9	**3,204,548**	3,187,017
ROU assets		**434,825**	932,031
Others		**136,783**	151,384
		15,419,313	11,614,322
		₱22,602,772	₱17,780,140

The details of NOLCO and excess MCIT over RCIT are as follows:

	Inception Year	Amount	Applied/Expired	Ending Balance	Expiry Year
NOLCO	2024	₱29,121,361	₱–	₱29,121,361	2027
	2023	66,754,999	–	66,754,999	2026
	2022	16,179,239	–	16,179,239	2025
		₱112,055,599	–	₱112,055,599	
Excess MCIT over RCIT	2024	₱126,996	₱–	₱126,996	2027
	2022	265,860	–	265,860	2025
		₱392,856	–	₱392,856	

On March 26, 2021, RA No. 11534 or the Corporate Recovery and Tax Incentive for Enterprises (CREATE) Act was signed into law by the President of the Philippines. Under the CREATE law, the Company's RCIT is 25% instead of 30% income tax rate. In addition, MCIT is subjected to 1% instead of 2% of gross income for a period of three years. The changes in the income tax rates became effective beginning July 1, 2020.

As mandated by Revenue Memorandum Circular (RMC) No. 69-2023, MCIT shall revert to 2% of gross income starting July 1, 2023.

The income tax rates used in the financial statements are 25% for RCIT and 2%, 1.5%, and 1% for MCIT in 2024, 2023, and 2022, respectively.

The reconciliation between the income tax expense (benefit) based on statutory income tax rate and effective income tax rate is as follows:

	2024	2023	2022
Income tax expense at statutory tax rate	**₱14,886,751**	₱1,131,379	₱13,365,229
Tax effects of:			
Interest income already subjected to final tax	**(19,558,497)**	(19,380,578)	(8,164,709)
Dividend income exempt from tax	**(581,204)**	(383,906)	(684,354)
Nondeductible expenses	**266,022**	161,235	193,405
Stock issuance costs	**–**	–	(3,485,781)
Income tax at effective tax rate	**(₱4,986,928)**	(₱18,471,870)	₱1,223,790

22. **Earnings per Share**

Basic and diluted EPS are computed as follows:

	2024	2023	2022
Net income attributable to common stockholders	**₱64,533,932**	₱22,997,384	₱52,237,125
Divided by weighted average number of outstanding common shares	**6,875,000,000**	6,875,000,000	6,473,958,333
Per share amounts: Basic and diluted EPS	**₱0.0094**	₱0.0033	₱0.0081

Diluted EPS equals the basic EPS as the Company does not have any dilutive potential common shares at the end of each of the years presented.

23. **Segment Reporting**

Business Segments
The Company's business segments consist of local and global trading.

Segment Assets and Liabilities
Segment assets include all operating assets used by a segment and consist primarily of operating cash, financial assets at FVPL, investments in government securities, receivables, property and equipment, investment property, and intangible assets (net of allowances, accumulated depreciation and amortization, and impairment), and other current and noncurrent assets. Segment liabilities include all operating liabilities and consist primarily of trade payables and other current and noncurrent liabilities.

Major Customer

The Company does not have a single external customer from which sales revenue generated amounted to 10% or more of the total revenues of the Company.

Financial information about reportable segments are as follows:

	December 31, 2024		
	Local Trading	Global Trading	Total
REVENUES			
Interests	₱78,233,986	₱13,051,671	₱91,285,657
Trading gains on financial assets at FVPL - net	40,107,060	22,958,421	63,065,481
Commissions	4,283,997	–	4,283,997
Dividends	2,324,817	1,164,582	3,489,399
Client advisory income	369,989	–	369,989
	125,319,849	37,174.674	162,494,523
COST OF SERVICES			
Personnel costs	20,081,012	20,081,012	40,162,024
Commissions	9,848,133	8,467,084	18,315,217
Transaction costs	4,011,288	9,421,337	13,432,625
Research	869,186	1,795,926	2,665,112
Stock exchange dues and fees	2,660,082	–	2,660,082
Communications	1,186,903	–	1,186,903
Central depository fees	931,017	–	931,017
	39,587,621	39,765,359	79,352,980
GROSS PROFIT (LOSS)	85,732,228	(2,590,685)	83,141,543
OPERATING EXPENSES	(36,001,762)	(4,786,966)	(40,788,728)
OTHER INCOME (LOSSSES)			
Foreign exchange gains (losses)	(256,686)	17,450,429	17,193,743
Other income	446	–	446
INCOME BEFORE INCOME TAX	49,474,226	10,072,778	59,547,004
INCOME TAX EXPENSE (BENEFIT)	(7,529,015)	2,542,087	(4,986,928)
NET INCOME	₱57,003,241	₱7,530,691	₱64,533,932
SEGMENT ASSETS	₱1,848,933,860	₱428,624,359	₱2,277,558,219
SEGMENT LIABILITIES	₱220,900,455	₱–	₱220,900,455
CAPITAL EXPENDITURES			
Fixed assets	₱7,469,160	₱–	₱7,469,160
CASH FLOWS ARISING FROM:			
Operating activities	₱23,739,385	(₱34,991,087)	(₱11,251,702)
Investing activities	(7,468,714)	–	(7,468,714)
Financing activities	(20,367,445)	–	(20,367,445)

	December 31, 2023		
	Local Trading	Global Trading	Total
REVENUES			
Interests	₱77,522,310	₱18,222,492	₱95,744,802
Trading gains (losses) on financial assets at FVPL - net	20,571,407	(20,143,546)	427,861
Commissions	5,290,848	–	5,290,848
Dividends	1,535,623	709,788	2,245,411
	104,920,188	(1,211,266)	103,708,922
COST OF SERVICES			
Personnel costs	16,089,560	16,089,559	32,179,119
Commissions	7,257,084	1,907,096	9,164,180
Transaction costs	2,416,327	12,872,984	15,289,311
Research	–	2,533,446	2,533,446
Stock exchange dues and fees	1,710,872	–	1,710,872
Communications	1,070,503	–	1,070,503
Central depository fees	1,033,088	–	1,033,088
	29,577,434	33,403,085	62,980,519
GROSS PROFIT (LOSS)	75,342,754	(34,614,351)	40,728,403
OPERATING EXPENSES	(29,700,670)	(3,643,442)	(33,344,112)
OTHER INCOME (LOSSSES)			
Foreign exchange losses	(120,568)	(2,739,995)	(2,860,563)
Other income	1,786	–	1,786
INCOME (LOSS) BEFORE INCOME TAX	45,523,302	(40,997,788)	4,525,514
INCOME TAX BENEFIT	(10,051,940)	(8,419,930)	(18,471,870)
NET INCOME (LOSS)	₱55,575,242	(₱32,577,858)	₱22,997,384
SEGMENT ASSETS	₱1,815,080,283	₱386,503,478	₱2,201,583,761
SEGMENT LIABILITIES	₱192,183,805	₱–	₱192,183,805
CAPITAL EXPENDITURES			
Fixed assets	₱3,460,495	₱–	₱3,460,495
CASH FLOWS ARISING FROM:			
Operating activities	₱55,713,197	(₱76,816,539)	(₱21,103,342)
Investing activities	(7,601,413)	54,142,704	46,541,291
Financing activities	(22,876,300)	–	(22,876,300)

	December 31, 2022		
	Local Trading	Global Trading	Total
REVENUES			
Interests	₱32,658,836	₱7,486,742	₱40,145,578
Trading gains on financial assets at FVPL - net	25,858,467	6,608,476	32,466,943
Commissions	11,541,693	–	11,541,693
Dividends	2,737,414	858,895	3,596,309
	72,796,410	14,954,113	87,750,523
COST OF SERVICES			
Personnel costs	14,589,911	14,589,911	29,179,822
Commissions	14,066,230	10,896,361	24,962,591
Transaction costs	2,769,872	9,898,529	12,668,401
Research	–	2,496,028	2,496,028
Stock exchange dues and fees	2,039,309	–	2,039,309
Communications	822,178	–	822,178
Central depository fees	1,094,279	–	1,094,279
	35,381,779	37,880,829	73,262,608
GROSS PROFIT (LOSS)	37,414,631	(22,926,716)	14,487,915
OPERATING EXPENSES	(27,736,291)	(4,995,029)	(32,731,320)
OTHER INCOME			
Foreign exchange gains (losses)	(133,742)	71,838,062	71,704,320
INCOME BEFORE INCOME TAX	9,544,598	43,916,317	53,460,915
INCOME TAX EXPENSE (BENEFIT)	(9,998,414)	11,222,204	1,223,790
NET INCOME	₱19,543,012	₱32,694,113	₱52,237,125
SEGMENT ASSETS	₱1,850,065,975	₱349,458,248	₱2,199,524,223
SEGMENT LIABILITIES	₱210,474,665	₱–	₱210,474,665
CAPITAL EXPENDITURES			
Fixed assets	₱233,174	₱–	₱233,174
CASH FLOWS ARISING FROM:			
Operating activities	(₱140,030,295)	₱59,352,189	(₱80,678,106)
Investing activities	(956,474,895)	(289,448,889)	(1,245,923,784)
Financing activities	1,359,626,952	–	1,359,626,952

24. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and noncash changes:

	2024			2023		
	Lease Liabilities	**Dividends Payable**	**Total**	Lease Liabilities	Dividends Payable	Total
Balance at beginning of year	**₱3,761,773**	**₱–**	**₱3,761,773**	₱1,695,532	₱–	₱1,695,532
Noncash changes:						
Additions to lease liabilities	**113,321**	**–**	**113,321**	3,544,485	–	3,544,485
Interest expense	**177,367**	**–**	**177,367**	58,056	–	58,056
Dividend declaration	**–**	**18,150,000**	**18,150,000**		21,340,000	21,340,000
Cash changes:						
Payments	**(2,217,445)**	**(18,150,000)**	**(20,367,445)**	(1,536,300)	(21,340,000)	(22,876,300)
Balance at end of year	**₱1,835,016**	**₱–**	**₱1,835,016**	₱3,761,773	₱–	₱3,761,773

BOA/PRC Accreditation No. 4782
April 14, 2024, valid until June 6, 2026
SEC Registration No. PP201007009

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REPORT OF INDEPENDENT AUDITORS
ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
CTS Global Equity Group, Inc.
27/F East Tower, Philippine Stock Exchange Centre,
Exchange Road, Ortigas Center, Pasig City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of CTS Global Equity Group, Inc., doing business under the names and styles of CTS Global, CTS Global Equities, CTS Global Securities, CTS Securities, and Citisecurities (the Company) as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023, and 2022, and have issued our opinion thereon dated March 14, 2025. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedules are the responsibility of the Company's management. These supplementary schedules include the following:

- Statement of Changes in Liabilities Subordinated to Claims of General Creditors;
- Computation of Risk-Based Capital Adequacy Worksheet Pursuant to SEC Memorandum Circular No. 16;
- Information Relating to the Possession or Control Requirements under SRC Rule 49.2;
- Computation for Determination of Reserve Requirements under SRC Rule 49.2;
- A Report Describing Any Material Inadequacies Found to Exist or Found to Have Existed Since the Date of the Previous Audit;
- Results of Year-end Securities Count Conducted Pursuant to SRC Rule 52.1-10, as Amended;
- Reconciliation of Retained Earnings Available for Dividend Declaration under the Revised SRC Rule 68;
- Financial Soundness Indicators under the Revised SRC Rule 68; and
- Additional supplementary schedules under Annex 68-J of the Revised SRC Rule 68.

The financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023, and 2022, and no material exceptions were noted.

The foregoing supplementary schedules are presented for purposes of complying with the Revised Securities Regulations Code Rule 68 issued by the SEC, and are not part of the basic financial statements prepared in accordance with PFRS. These supplementary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly states, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

REYES TACANDONG & CO.

Mark Christian M. Ababa

MARK CHRISTIAN M. ABABA
Partner
CPA Certificate No. 130245
Tax Identification No. 287-809-533-000
BOA Accreditation No. 4782/P-027; Valid until June 6, 2026
BIR Accreditation No. 08-005144-026-2024
Valid until March 26, 2027
PTR No. 10467117
Issued January 2, 2025, Makati City

March 14, 2025
Makati City, Metro Manila

SCHEDULE I

CTS GLOBAL EQUITY GROUP, INC.
STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

DECEMBER 31, 2024

The Company has no subordinated liability.

SCHEDULE II

CTS GLOBAL EQUITY GROUP, INC.
COMPUTATION OF RISK-BASED CAPITAL ADEQUACY WORKSHEET PURSUANT TO SEC MEMORANDUM CIRCULAR NO. 16

DECEMBER 31, 2024

Assets	₱2,277,558,219
Liabilities	220,900,455
Equity per books	2,056,657,764
Adjustments to Equity per books	
Add (Deduct):	
Allowance for Market Decline	–
Subordinated Liability	–
Unrealized Gain / (Loss) in Proprietary Accounts	–
Deferred Income Tax	(38,022,085)
Deposit for Future Stock Subscription	–
Minority Interest	–
Total Adjustments to Equity per books	(38,022,085)
Equity Eligible For Net Liquid Capital	2,018,635,679
Contingencies and Guarantees	
Deduct: Contingent Liability	–
Guarantees or Indemnities	–
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	4,668,775
b. Intercompany Receivables	–
c. Fixed Assets, net of accumulated and excluding those used as collateral	21,764,368
d. Prepayment from Client for Early Settlement of Account	–
e. All Other Current Assets	10,233,052
f. Securities Not Readily Marketable	–
g. Negative Exposure (SCCP)	–
h. Notes Receivable (non-trade related)	–
i. Interest and Dividends Receivables outstanding for more than 30 days	–
j. Ineligible Insurance claims	–
k. Ineligible Deposits	–
l. Short Security Differences	–
m. Long Security Differences not resolved prior to sale	–
n. Other Assets including Equity Investment in PSE	13,277,080
Total Ineligible assets	49,943,275
Net Liquid Capital (NLC)	1,968,692,404
Less:	
Operating Risk Requirement	27,886,792
Position Risk Requirement	87,212,331
Counterparty Risk	–
Large Exposure Risk	
LERR to a Single Client	–
LERR to a Single Debt	34,341,494
LERR to a Single Issuer and Company of Companies	–
Total Risk Capital Requirement (TRCR)	149,440,617
Net RBCA Margin (NLC-TRCR)	1,819,251,787
Liabilities	220,900,455
Add: Deposit for Future Stock Subscription	
Less: Exclusions from Aggregate Indebtedness	–
Subordinated Liability	–
Loans and Secured Securities	–
Loans Secured by Fixed Assets	–
Others	24,753,504
Total Adjustments to AI	(24,753,504)
Aggregate Indebtedness	196,146,951
5% of Aggregate Indebtedness	9,807,348
Required Net Liquid Capital (> of 5% of AI or ₱5M)	9,807,348
Net Risk-Based Capital Excess / (Deficiency)	1,958,885,056
Ratio of AI to Net Liquid Capital	10%
RBCA Ratio (NLC/TRCR)	1,317%

SCHEDULE III

CTS GLOBAL EQUITY GROUP, INC.
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 at the report date (for which instructions to reduce to possession or control had been issued as at 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	NIL
Number of items	NIL

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

Market valuation	NIL
Number of items	NIL

SCHEDULE IV

CTS GLOBAL EQUITY GROUP, INC.
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.	₱162,247,223	
2. Monies borrowed collateralized by securities carried for the account of customers.	–	
3. Monies payable against customers' securities loaned.	–	
4. Customers' securities failed to receive.	–	
5. Credit balances in firm accounts which are attributable to principal sales to customer.	–	
6. Market value of stock dividends stock splits and similar distributions receivable outstanding of 30 calendar days old.	1,331,029	
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.		₱9,750
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to delivery.		–
12. Failed to deliver customers' securities not older than 30 calendar days.		–
13. Others due from clearing house		–
Total	₱163,578,252	₱9,750
Net Credit (Debit)	₱163,568,502	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)	₱163,568,502	

SCHEDULE V

CTS GLOBAL EQUITY GROUP, INC.
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 structure and its operations that were considered to be material weaknesses.

SCHEDULE VI

CTS GLOBAL EQUITY GROUP, INC.
RESULTS OF YEAR-END 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 page 75-79 for the results of year-end securities count conducted for the year ended December 31, 2024.

CTS GLOBAL EQUITY GROUP, INC.
RESULTS OF YEAR-END SECURITIES COUNT
CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED
DECEMBER 31, 2024

		Per Records		Per Count		Unlocated Difference	
CODE	NAME	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
700	TENCENT HOLDINGS LTD	2,900	₱9,031,224	2,900	₱9,031,224	–	₱–
AAA	ASIA AMALGAMATED CORP.	9,700	–	9,700	–	–	–
AB	ATOK BIG WEDGE	1,170	6,365	1,170	6,365	–	–
ABA	ABACORE CAPITAL HOLDINGS, INC.	1,180,320	625,570	1,180,320	625,570	–	–
ABG	ASIABEST GROUP	13,400	–	13,400	–	–	–
ABS	ABS-CBN	60,330	253,386	60,330	253,386	–	–
ABSP	ABS CBN PDR	14,700	55,860	14,700	55,860	–	–
AC	AYALA CORPORATION	40,898	24,497,902	40,898	24,497,902	–	–
ACE	ACESITE HOTEL	308,698	549,482	308,698	549,482	–	–
ACENB	ACEN CORP SERIES B PREF SHARES	10,984,809	1,884,960	10,984,809	1,884,960	–	–
ACEN	ACEN CORPORATION	1,785	43,939,236	1,785	43,939,236	–	–
ACPAR	AYALA CORPORATION CLASS A PREFERRED	2,440	6,222,000	2,440	6,222,000	–	–
ACPB3	AYALA CORPORATION CLASS B3 PREFERRED	4,000	8,208,000	4,000	8,208,000	–	–
ACR	ALSONS CONS.	20,723,000	9,532,580	20,723,000	9,532,580	–	–
AEV	ABOITIZ EQUITY	423,830	14,558,561	423,830	14,558,561	–	–
AGI	ALLIANCE GLOBAL GROUP, INC.	2,383,100	21,447,900	2,383,100	21,447,900	–	–
ALCO	ARTHALAND CORPORATION	508,025	185,429	508,025	185,429	–	–
ALHI	ANCHOR LAND HOLDINGS	137,850	661,680	137,850	661,680	–	–
ALI	AYALA LAND	1,392,534	36,484,391	1,392,534	36,484,391	–	–
ALLDY	ALLDAY MARTS, INC.	16,752,000	2,228,016	16,752,000	2,228,016	–	–
ALLHC	AYALALAND LOGISTICS HOLDINGS CORP.	994,540	1,690,718	994,540	1,690,718	–	–
ALTER	ALTERNERGY HOLDINGS CORP.	40,000	48,000	40,000	48,000	–	–
ANI	AGRINURTURE, INC.	87,900	44,829	87,900	44,829	–	–
ANS	ANSCOR	1,602,365	21,920,353	1,602,365	21,920,353	–	–
AP	ABOITIZ POWER CORP	402,873	15,188,312	402,873	15,188,312	–	–
APC	APC GROUP	4,594,200	849,927	4,594,200	849,927	–	–
APL	APOLLO GLOBAL CAPITAL, INC.	38,574,500	154,298	38,574,500	154,298	–	–
APO	ANGLO-PHIL.	4,089,332	1,840,199	4,089,332	1,840,199	–	–
APVI	ALTUS PROPERTY VENTURES INC	2,803	23,321	2,803	23,321	–	–
APX	APEX MINING A	72,621,332	250,543,595	72,621,332	250,543,595	–	–
AR	ABRA MINING	383,200,000	–	383,200,000	–	–	–
ARA	ARANETA PROPERTIES	1,162,245	592,745	1,162,245	592,745	–	–
AREIT	AREIT RT	708,400	26,883,780	708,400	26,883,780	–	–
ASLAG	RASLAG CORP.	241,000	248,230	241,000	248,230	–	–
AT	ATLAS CONS.	3,730,625	16,340,138	3,730,625	16,340,138	–	–
ATI	ASIAN TERMINALS	202,499	3,442,483	202,499	3,442,483	–	–
ATN	ATN HOLDINGS A	4,298,000	2,234,960	4,298,000	2,234,960	–	–
ATNB	ATN HOLDINGS B	6,000	3,120	6,000	3,120	–	–
AUB	ASIA UNITED BANK CORPORATION	294,170	18,091,455	294,170	18,091,455	–	–
AXLM	AXELUM RESOURCES CORP	392,000	1,015,280	392,000	1,015,280	–	–
BC	BENGUET CORP. A	200,100	794,397	200,100	794,397	–	–
BCB	BENGUET CORP. B	2,529	9,964	2,529	9,964	–	–
BCP	BENGUET CORP. CONV. PREF. A	43	701	43	701	–	–
BDO	BDO UNIBANK, INC.	1,455,436	209,582,784	1,455,436	209,582,784	–	–
BEL	BELLE CORP.	60,834,051	100,984,525	60,834,051	100,984,525	–	–
BHI	BOULEVARD HOLDINGS, INC.	3,970,000	293,780	3,970,000	293,780	–	–
BKR	BRIGHT KINDLE RESOURCES & INVESTMEN	1,049,740	1,039,243	1,049,740	1,039,243	–	–
BLOOM	BLOOMBERRY	1,967,200	9,009,776	1,967,200	9,009,776	–	–
BMM	BOGO MEDELLIN MILLING	5,425	–	5,425	–	–	–
BNCOM	BANK OF COMMERCE	26,000	175,500	26,000	175,500	–	–
BPI	BANK OF P.I.	99,181	12,100,082	99,181	12,100,082	–	–
BRN	A BROWN CO., INC.	5,323,944	2,981,409	5,323,944	2,981,409	–	–
BRNPC	A BROWN COMPANY PREF. C	20,000	2,044,000	20,000	2,044,000	–	–
BSC	BASIC ENERGY CORPORATION	5,288,317	740,364	5,288,317	740,364	–	–
C	CHELSEA LOGISTICS AND INFRASTRUCTUR	244,300	320,033	244,300	320,033	–	–
CA	CONCRETE AGGREGATES A	2,000	80,300	2,000	80,300	–	–
CAT	CENTAL AZUCARERA DE TARLAC	112,000	1,254,400	112,000	1,254,400	–	–

CODE	NAME	Per Records No. of Shares	Per Records Market Value	Per Count No. of Shares	Per Count Market Value	Unlocated Difference No. of Shares	Unlocated Difference Market Value
CBC	CHINA BANKING CORPORATION	6,232,219	₱395,745,907	6,232,219	₱395,745,907	–	₱–
CDC	CITYLAND DEV. CORP.	7,306	4,968	7,306	4,968	–	–
CEB	CEBU AIR, INC.	43,900	1,240,175	43,900	1,240,175	–	–
CEBCP	CEBU AIR INC	19,607	676,442	19,607	676,442	–	–
CEI	CROWN EQUITIES	7,854,910	439,875	7,854,910	439,875	–	–
CEU	CENTRO ESCOLAR UNIV	3,600	49,680	3,600	49,680	–	–
CHI	CEBU HOLDINGS, INC.	2,656,729	–	2,656,729	–	–	–
CHIB	CHINA BANKING CORP.	104,810	–	104,810	–	–	–
CHP	CEMEX HOLDINGS PHILIPPINES, INC.	27,700	4,728,978	27,700	4,728,978	–	–
CIP	CHEMICAL INDUSTRIES	1,094,000	–	1,094,000	–	–	–
CLI	CEBU LANDMASTERS INC	700,000	277,747	700,000	277,747	–	–
CNPF	CENTURY PACIFIC FOODS, INC.	1,952,235,750	1,162,015	1,952,235,750	1,162,015	–	–
CNVRG	CONVERGE INFORMATION AND COMMUNICAT	2,350,194	17,657,160	2,350,194	17,657,160	–	–
COAL	COAL COMMON SHARES	287,175	107,800	287,175	107,800	–	–
COL	COL FINANCIAL	174,000	3,221,188,988	174,000	3,221,188,988	–	–
COSCO	COSCO CAPITAL, INC.	10,000	12,644,044	10,000	12,644,044	–	–
CPG	CENTURY PROPERTIES GROUP INC.	2,824,000	120,614	2,824,000	120,614	–	–
CPM	CENTURY PEAK HOLDINGS CORPORATION	10,000	435,000	10,000	435,000	–	–
CREC	CITICORE RENEWABLE CORP.	2,979,599,540	32,100	2,979,599,540	32,100	–	–
CREIT	CITICORE RT	3,630,550	8,613,200	3,630,550	8,613,200	–	–
CROWN	CROWN ASIA CHEM CORP COMMON SHARES	156,100	17,100	156,100	17,100	–	–
CTS	CTS GLOBAL EQUITY GROUP, INC.	5,932,000	1,936,739,701	5,932,000	1,936,739,701	–	–
CYBR	CYBER BAY CORP.	36,040	–	36,040	–	–	–
DD	DOUBLE DRAGON CORPORATION	456,100	1,592,220	456,100	1,592,220	–	–
DDMPR	DDMP RT	2,000	6,109,960	2,000	6,109,960	–	–
DDPR	DOUBLEDRAGON CORPORATION- PREF	411,955	3,503,088	411,955	3,503,088	–	–
DELM	DEL MONTE PACIFIC LIMITED	1,510,674	1,778,790	1,510,674	1,778,790	–	–
DFNN	DFNN, INC.	270,512	5,700	270,512	5,700	–	–
DHI	DOMINION HOLDINGS, INC.	2,340,530	659,128	2,340,530	659,128	–	–
DITO	DITO CME HOLDINGS CORP	229,500	2,477,505	229,500	2,477,505	–	–
DIZ	DIZON COPPER SILVER	9,239,200	549,139	9,239,200	549,139	–	–
DMC	DMCI HOLDINGS	2,166,100	25,324,535	2,166,100	25,324,535	–	–
DMW	DM WENCESLAO AND ASSOCIATES INC	1,212,560	1,266,840	1,212,560	1,266,840	–	–
DNL	DNL INDUSTRIES, INC.	2,505,099	56,266,728	2,505,099	56,266,728	–	–
DWC	DISCOVERY WORLD CORPORATION	6,000,000	2,426,032	6,000,000	2,426,032	–	–
ECVC	EAST COAST VULCAN CORPORATION	5,356,970	375,894	5,356,970	375,894	–	–
EEI	EEI CORP.	200,000	9,018,356	200,000	9,018,356	–	–
EG	IP E-GAME VENTURES INC.	15,982,409	–	15,982,409	–	–	–
EIBA	EXPORT & INDUSTRY BANK, INC.	238,900	–	238,900	–	–	–
EIBB	EXPORT & INDUSTRY BANK B	290,487	–	290,487	–	–	–
ELI	EMPIRE EAST	495,000	1,917,889	495,000	1,917,889	–	–
EMI	EMPERADOR INC	268,209	4,314,534	268,209	4,314,534	–	–
ENEX	ENEX ENERGY CORP.	163,600	1,452,435	163,600	1,452,435	–	–
EVER	EVER GOTESCO	758,702	126,225	758,702	126,225	–	–
EW	EAST WEST BANKING CORP.	59,263	2,641,859	59,263	2,641,859	–	–
FAF	FIRST ABACUS FINANCIAL	1,361,000	106,340	1,361,000	106,340	–	–
FCG	FIGARO COFFEE GROUP, INC.	2,407,988	–	2,407,988	–	–	–
FDC	FILINVEST DEV. CORP.	17,837,136	3,747,988	17,837,136	3,747,988	–	–
FEU	FAR EASTERN UNIV.	609,985	–	609,985	–	–	–
FFI	FILIPINO FUND, INC.	603,197	347,874	603,197	347,874	–	–
FGEN	FIRST GEN CORPORATION	183,537	21,939,320	183,537	21,939,320	–	–
FILRT	FILINVEST RT	5,054,260	7,103,565	5,054,260	7,103,565	–	–
FLI	FILINVEST LAND	7,886,000	13,021,109	7,886,000	13,021,109	–	–
FNI	GLOBAL FERRONICKEL HOLDINGS INC	20,329	634,384	20,329	634,384	–	–
FOOD	ALLIANCE SELECT FOODS INTERNATIONAL	7,775,856	229,215	7,775,856	229,215	–	–
FPH	FIRST PHIL. HOLDINGS	18,461,882	10,828,683	18,461,882	10,828,683	–	–
FPI	FORUM PACIFIC, INC.	7,373	1,243,348	7,373	1,243,348	–	–
FRUIT	FRUITAS HOLDINGS INC	358,000	5,047,040	358,000	5,047,040	–	–
FYN	FILSYN CORP. A	327,000	42,691	327,000	42,691	–	–
GEO	GEOGRACE	364,469	684,275	364,469	684,275	–	–
GERI	GLOBAL-ESTATE	4,550	11,815,604	4,550	11,815,604	–	–
GLO	GLOBE TELECOMS	157,998	16,102,632	157,998	16,102,632	–	–
GMA7	GMA NETWORK, INC.	47,740	2,187,380	47,740	2,187,380	–	–
GMAP	GMA PDRS	8,440	2,047,020	8,440	2,047,020	–	–
GO	GOTESCO LAND, INC.A	330,000	–	330,000	–	–	–
GOB	GOTESCO LAND, INC. B	36,400	–	36,400	–	–	–

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GREEN	GREENERGY HOLDINGS	20,000	₱30,020	20,000	₱30,020	–	₱–
GSMI	GINEBRA SAN MIGUEL INC.	3,600	13,128,500	3,600	13,128,500	–	–
GTCAP	GT CAPITAL HOLDINGS, INC.	2,656,729	5,553,520	2,656,729	5,553,520	–	–
HI	HOUSE OF INVESTMENTS	104,810	1,115,400	104,810	1,115,400	–	–
HOME	ALLHOME CORP	27,700	23,296	27,700	23,296	–	–
HTI	HAUS TALK, INC.	1,094,000	21,000	1,094,000	21,000	–	–
I	IREMIT	170,669	39,766	170,669	39,766	–	–
ICT	INTL. CONTAINER TERMINAL	387,829	149,701,994	387,829	149,701,994	–	–
IDC	ITALPINAS DEVELOPMENT CORPORATION	3,915	5,090	3,915	5,090	–	–
IMI	INTEGRATED MICRO- ELECTRONICS, INC.	10,394	15,487	10,394	15,487	–	–
IMP	IMPERIAL RES.	579,920	365,350	579,920	365,350	–	–
INFRA	PHILIPPINE INFRADEV HOLDINGS INC	97,000	29,100	97,000	29,100	–	–
ION	IONICS, INC.	883,652	742,268	883,652	742,268	–	–
IPM	IPM HOLDINGS INC	300,000	900,000	300,000	900,000	–	–
IPO	IPEOPLE, INC.	102,704	697,360	102,704	697,360	–	–
IS	ISLAND INFORMATION	6,098,000	–	6,098,000	–	–	–
JAS	JACKSTONES, INC	2,110,000	2,321,000	2,110,000	2,321,000	–	–
JFC	JOLLIBEE	25,220	6,784,180	25,220	6,784,180	–	–
JFCPB	JOLLIBEE FOODS CORP	9,600	9,446,400	9,600	9,446,400	–	–
JGS	JG SUMMIT	499,560	10,265,958	499,560	10,265,958	–	–
KEEPR	THE KEEPERS HOLDINGS INC	325,195	725,185	325,195	725,185	–	–
KEP	KEPPEL PHILS. PROP. INC.	30,000	83,700	30,000	83,700	–	–
KPH	KEPPEL PHILS. HOLDINGS A	136,881	2,253,061	136,881	2,253,061	–	–
KPHB	KEPPEL PHILS. HOLDINGS B	134,000	2,524,560	134,000	2,524,560	–	–
LC	LEPANTO CONS A	92,798,011	6,217,467	92,798,011	6,217,467	–	–
LCB	LEPANTO CONS B	7,726,910	517,703	7,726,910	517,703	–	–
LFM	LIBERTY FLOUR MILLS	1,014,440	18,178,765	1,014,440	18,178,765	–	–
LMG	LMG CHEMICALS	1,800,000	342,000	1,800,000	342,000	–	–
LODE	LODESTAR INVESTMENT HOLDINGS	544,000	152,320	544,000	152,320	–	–
LOTO	PACIFIC ONLINE SYSTEMS	29,493,800	78,158,570	29,493,800	78,158,570	–	–
LPC	LFM PROPERTIES CORP	94,068,873	4,327,168	94,068,873	4,327,168	–	–
LPZ	LOPEZ HOLDINGS CORPORATION	1,345,175	3,631,973	1,345,175	3,631,973	–	–
LSC	LORENZO SHIPPING	100,000	86,000	100,000	86,000	–	–
LTG	LT GROUP, INC.	623,450	6,546,225	623,450	6,546,225	–	–
MA	MANILA MINING A	445,468,237	1,336,405	445,468,237	1,336,405	–	–
MAB	MANILA MINING B	50,939,310	152,818	50,939,310	152,818	–	–
MAC	MACROASIA CORP.	1,439,328	7,829,944	1,439,328	7,829,944	–	–
MACAY	MACAY HOLDINGS, INC.	449,890	3,383,173	449,890	3,383,173	–	–
MAH	METRO ALLIANCE HOLDINGS A	24,000	19,920	24,000	19,920	–	–
MARC	MARCVENTURES HOLDINGS, INC.	6,580	4,935	6,580	4,935	–	–
MAXS	MAX'S GROUP, INC.	431,000	1,150,770	431,000	1,150,770	–	–
MB	MANILA BULLETIN	3,479,973	654,235	3,479,973	654,235	–	–
MBT	METROBANK	1,097,457	79,016,904	1,097,457	79,016,904	–	–
MC	MARSTEEL CONS.	5,000,000	–	5,000,000	–	–	–
MEDIC	Medilines Distributors Incorporated	63,000	19,530	63,000	19,530	–	–
MEG	MEGAWORLD CORPORATION	10,721,291	21,978,646	10,721,291	21,978,646	–	–
MER	MERALCO	240,553	117,389,864	240,553	117,389,864	–	–
META	META PLATFORMS INC-CLASS A	245	8,322,105	245	8,322,105	–	–
MFC	MANULIFE FINANCIAL CORP.	638	1,122,880	638	1,122,880	–	–
MG	MILLENNIUM GLOBAL HOLDINGS, INC.	8,274,000	777,756	8,274,000	777,756	–	–
MGH	METRO GLOBAL HOLDINGS CORPORATION	76,400	–	76,400	–	–	–
MHC	MABUHAY HOLDINGS	3,098,000	498,778	3,098,000	498,778	–	–
MJC	MANILA JOCKEY CLUB, INC.	17,871,699	–	17,871,699	–	–	–
MJIC	MJC INVESTMENTS CORP.	3,400	–	3,400	–	–	–
MM	MERRYMART CONSUMER CORP.	57,000	34,200	57,000	34,200	–	–
MMC	MARCOPPER MINING	17	–	17	–	–	–
MONDE	MONDE NISSIN CORP	719,200	6,185,120	719,200	6,185,120	–	–
MRC	MRC ALLIED, INC.	737,000	619,080	737,000	619,080	–	–
MREIT	MREIT RT	1,331,400	17,760,876	1,331,400	17,760,876	–	–
MRSGI	METRO RETAIL STORES GROUP, INC.	67,000	80,400	67,000	80,400	–	–
MWC	MANILA WATER COMPANY	141,200	3,812,400	141,200	3,812,400	–	–
MWIDE	MWIDE	88	214	88	214	–	–
MWP5	MEGAWIDE CONSTRUCTION CORPORATION	3,500	352,800	3,500	352,800	–	–
NI	NIHAO MINERAL RESOURCES	1,023,300	393,971	1,023,300	393,971	–	–
NIKL	NICKEL ASIA CORPORATION	7,523,944	26,258,565	7,523,944	26,258,565	–	–
NOW	NOW CORPORATION	153,500	90,565	153,500	90,565	–	–

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NRCP	NATIONAL REINSURANCE CORP.	9,367,000	₱6,463,230	9,367,000	₱6,463,230	–	₱–
NXGEN	NEXTGENESIS CORPORATION	61,800	–	61,800	–	–	–
OM	OMICO CORP.	802,497	106,733	802,497	106,733	–	–
OPM	ORIENTAL PET. & MIN. A	1,104,923,287	8,176,431	1,104,923,287	8,176,431	–	–
OPMB	ORIENTAL PET. & MIN. B	658,824,262	4,941,182	658,824,262	4,941,182	–	–
ORE	ORIENTAL PENINSULA RESOURCES	1,473,700	648,428	1,473,700	648,428	–	–
OV	PHILODRILL	539,958,390	4,049,688	539,958,390	4,049,688	–	–
PA	PACIFICA HOLDINGS INC	66,050	105,680	66,050	105,680	–	–
PAL	PAL HOLDINGS, INC.	57,328	283,774	57,328	283,774	–	–
PAX	PAXYS, INC.	10,829,000	18,409,300	10,829,000	18,409,300	–	–
PBB	PHILIPPINE BUSINESS BANK	67,298	652,791	67,298	652,791	–	–
PBC	PHIL. BANK OF COMMUNICATIONS	4,455	69,409	4,455	69,409	–	–
PCOR	PETRON	2,341,005	5,688,642	2,341,005	5,688,642	–	–
PCP	PICOP RESOURCES	1,520,420	–	1,520,420	–	–	–
PERC	PETROENERGY RESOURCES CORP.	2,896,339	9,992,370	2,896,339	9,992,370	–	–
PGOLD	PUREGOLD PRICE CLUB, INC.	63,900	1,971,315	63,900	1,971,315	–	–
PHA	PREMIEREHORIZON	45,000	7,830	45,000	7,830	–	–
PHC	PHILCOMSAT HOLDINGS CORP.	10,000	14,000	10,000	14,000	–	–
PHN	PHINMA CORPORATION	2,645	50,255	2,645	50,255	–	–
PHR	PH RESORTS GROUP HOLDINGS INC	105,000	56,700	105,000	56,700	–	–
PIZZA	SHAKEYS PIZZA ASIA VENTURES INC	3,100	24,769	3,100	24,769	–	–
PLUS	DIGIPLUS INTERACTIVE CORP.	1,410,275	38,288,965	1,410,275	38,288,965	–	–
PMPC	PANASONIC MANUFACTURING PHILS	2,722	14,917	2,722	14,917	–	–
PMT	PRIMETOWN PROPERTY GROUP	155,600	–	155,600	–	–	–
PNB	PHILIPPINE NATIONAL BANK	146,867	4,068,216	146,867	4,068,216	–	–
PNC	PHIL. NATIONAL CONST.	5,153	–	5,153	–	–	–
PNX	PHOENIX PETROLEUM	71,725	299,093	71,725	299,093	–	–
PNX3B	PPPI SERIES 3B PREF SHARES	19,700	491,514	19,700	491,514	–	–
PNX4	PPPI SERIES 4 PREF SHARES	600	106,740	600	106,740	–	–
PRC	PHIL. RACING CLUB	24,453	171,171	24,453	171,171	–	–
PRF4A	PETRON CORP SERIES A PREFERRED	300	301,500	300	301,500	–	–
PRF4B	PETRON CORP SERIES B PREFERRED	2,000	2,040,000	2,000	2,040,000	–	–
PRIM	PRIME MEDIA HOLDINGS, INC.	2,077	4,424	2,077	4,424	–	–
PSB	PHIL. SAVINGS BANK	31,171	1,814,152	31,171	1,814,152	–	–
PSE	PHIL. STOCK EXCHANGE	3,088	506,432	3,088	506,432	–	–
PTT	PHIL. TEL. & TEL.	725,139	–	725,139	–	–	–
PX	PHILEX	6,083,838	16,973,908	6,083,838	16,973,908	–	–
PXP	PXP ENERGY CORPORATION	1,031,149	2,959,398	1,031,149	2,959,398	–	–
RCB	RCBC	1,977,765	47,169,695	1,977,765	47,169,695	–	–
RCI	ROXAS AND COMPANY, INC.	417,177	1,134,721	417,177	1,134,721	–	–
RCR	RL COMM RT	2,693,800	15,758,730	2,693,800	15,758,730	–	–
REG	REPUBLIC GLASS HOLDINGS	7,546	20,752	7,546	20,752	–	–
RFM	RFM CORP.	161,720	625,856	161,720	625,856	–	–
RLC	ROBINSON LAND	166,443	2,213,692	166,443	2,213,692	–	–
RLT	PHIL. REALTY & HOLDINGS	9,218,281	1,106,194	9,218,281	1,106,194	–	–
ROCK	ROCKWELL LAND CORPORATION	58,435,375	88,237,416	58,435,375	88,237,416	–	–
ROX	ROXAS HOLDINGS, INC.	109,710	–	109,710	–	–	–
RPC	REYNOLDS PHILS.	75,271	–	75,271	–	–	–
SBS	SBS PHILS CORP COMMON SHARES	78,775	389,936	78,775	389,936	–	–
SCC	SEMIRARA MINING AND POWER CORPORATI	1,772,900	61,874,210	1,772,900	61,874,210	–	–
SDP	SIME DARBY	60	–	60	–	–	–
SECB	SECURITY BANK	213,056	18,535,872	213,056	18,535,872	–	–
SEVN	PHILIPPINE SEVEN CORP.	3,200	216,960	3,200	216,960	–	–
SFI	SWIFT FOODS	53,646,257	3,111,483	53,646,257	3,111,483	–	–
SFIP	SWIFT FOODS CONV. PREF.	15,428	26,845	15,428	26,845	–	–
SGI	SOLID GROUP	4,115,850	4,239,326	4,115,850	4,239,326	–	–
SGP	SYNERGY GRID	4,891,050	47,932,290	4,891,050	47,932,290	–	–
SHLPH	PILIPINAS SHELL PETROLEUM CORP	10,571,600	79,287,000	10,571,600	79,287,000	–	–
SHNG	SHANG PROPERTIES, INC.	45,229,453	178,204,045	45,229,453	178,204,045	–	–
SLF	SUN LIFE FINANCIAL, INC.	3,948	11,954,544	3,948	11,954,544	–	–
SLI	STA. LUCIA LAND	137,730	399,417	137,730	399,417	–	–
SM	SM INVESTMENTS CORP	27,613	24,824,087	27,613	24,824,087	–	–
SMC	SAN MIGUEL	646,587	55,606,482	646,587	55,606,482	–	–
SMC2F	SMC PREF. SERIES "2F"	13,280	973,423	13,280	973,423	–	–
SMC2J	SMCPREFS2J	40,000	2,820,000	40,000	2,820,000	–	–
SMC2K	SMCPREFS2K	50,000	3,500,000	50,000	3,500,000	–	–

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SMC2L	SMCPREFS2L	22,000	₱1,708,299	22,000	₱1,708,299	–	₱–
SMC2N	SMCPREFS2N	90,000	7,173,000	90,000	7,173,000	–	–
SMC2O	SMCPREFS2O	50,000	4,115,000	50,000	4,115,000	–	–
SMPH	SM PRIME HOLDINGS	4,158,637	104,589,721	4,158,637	104,589,721	–	–
SOC	SOCRESOURCES, INC.	110,000	20,240	110,000	20,240	–	–
SPM	SEAFRONT RESOURCES CORP.	46,246	69,831	46,246	69,831	–	–
SPNEC	SP NEW ENERGY CORPORATION (SPNEC)	2,639,000	2,691,780	2,639,000	2,691,780	–	–
SSI	SSI GROUP, INC.	4,338,100	13,795,158	4,338,100	13,795,158	–	–
STI	STI HOLDINGS	9,603,000	12,868,019	9,603,000	12,868,019	–	–
STN	STENIEL MFG. CORP.	423,645	665,123	423,645	665,123	–	–
STR	VISTAMALLS, INC.	33,300	48,951	33,300	48,951	–	–
SUN	SUNTRUST RESORT HOLDINGS, INC.	5,046,250	4,541,625	5,046,250	4,541,625	–	–
SWM	SANITARY WARES MFG.	40,700	–	40,700	–	–	–
T	TKC METALS CORPORATION	290,000	84,100	290,000	84,100	–	–
TBGI	TRANSPACIFIC BROADBAND GROUP	1,800,000	243,000	1,800,000	243,000	–	–
TECH	CIRTEK HOLDINGS PHILIPPINES CORP	6,380	8,421	6,380	8,421	–	–
TEL	PLDT INC.	16,567	21,454,265	16,567	21,454,265	–	–
TFHI	TOP FRONTIER INVESTMENTS HOLDINGS,	49,186	3,103,637	49,186	3,103,637	–	–
TUGS	HARBOR STAR SHIPPING SERVICES, INC.	1,020,000	632,400	1,020,000	632,400	–	–
UBP	UNION BANK	53,259	1,917,324	53,259	1,917,324	–	–
UNH	UNIHOLDINGS INC.	2,290	305,028	2,290	305,028	–	–
UNI	UNIOIL RES. & HOLDINGS CO.	7,823,500	–	7,823,500	–	–	–
UP	UNIVERSAL RIGHTFIELD PROP.	4,416,320	–	4,416,320	–	–	–
UPM	UNITED PARAGON MNG.	68,675,000	192,290	68,675,000	192,290	–	–
URC	UNIVERSAL ROBINA	225,166	17,788,114	225,166	17,788,114	–	–
V	VANTAGE EQUITIES, INC.	1,511,250	1,057,875	1,511,250	1,057,875	–	–
VITA	VITARICH	2,326,256	1,256,177	2,326,256	1,256,177	–	–
VLL	VISTA LAND & LIFESCAPES	1,173,190	1,736,321	1,173,190	1,736,321	–	–
VMC	VICTORIAS MILLING CO., INC.	3,276,804	6,553,608	3,276,804	6,553,608	–	–
VREIT	VISTAREIT RT	10,000	18,900	10,000	18,900	–	–
VVT	VIVANT CORPORATION	625	11,263	625	11,263	–	–
WEB	PHILWEB CORPORATION	168,460	235,844	168,460	235,844	–	–
WIN	WELLEX IND., INC.	1,136,000	239,696	1,136,000	239,696	–	–
WLCON	WILCON DEPOT INC	260,800	3,729,440	260,800	3,729,440	–	–
WPI	WATERFRONT PHIL., INC.	669,138	250,927	669,138	250,927	–	–
X	XURPAS INC	126,000	22,931	126,000	22,931	–	–
ZHI	ZEUS HOLDINGS	200,000	14,400	200,000	14,400	–	–
			₱8,320,992,243		₱8,320,992,243		

SCHEDULE VII

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
FOR THE YEAR ENDED DECEMBER 31, 2024

CTS GLOBAL EQUITY GROUP, INC.
27/F East Tower, Tektite Towers, Exchange Road
Ortigas Center, Pasig City

		Amount
Unappropriated retained earnings, beginning of reporting period		₱22,652,139
Less: Items that are directly debited to unappropriated retained earnings		
Dividend declaration during the reporting period	(18,150,000)	
Retained earnings appropriated during the reporting period	(2,299,738)	(20,449,738)
Unappropriated retained earnings, as adjusted		2,202,401
Add: Net income for the current year		64,533,932
Less: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of deferred tax assets not considered in the reconciling items under the previous categories	(9,109,312)	
Net movement in deferred tax on ROU assets and lease liabilities	(15,517)	(9,124,829)
Total retained earnings, end of the reporting period available for dividend		₱57,611,504

SCHEDULE VIII

CTS GLOBAL EQUITY GROUP, INC.
SUPPLEMENTARY SCHEDULE OF
FINANCIAL SOUNDNESS INDICATORS UNDER REVISED SRC RULE 68

DECEMBER 31, 2024

	2024	2023
Current/liquidity ratio	**5.07**	5.48
Current assets	**₱963,609,495**	₱892,895,117
Current liabilities	**189,961,101**	162,800,179
Solvency ratio	**0.32**	0.14
After-tax income before depreciation	**₱70,065,706**	₱27,372,859
Total liabilities	**220,900,455**	192,183,805
Debt-to-equity ratio	**0.11**	0.10
Total liabilities	**₱220,900,455**	₱192,183,805
Total equity	**2,056,657,764**	2,009,399,956
Asset-to-equity ratio	**1.11**	1.10
Total assets	**₱2,277,558,219**	₱2,201,583,761
Total equity	**2,056,657,764**	2,009,399,956
Interest rate coverage ratio	**31.81**	4.26
Income before interest and taxes	**₱61,479,996**	₱5,915,046
Interest expense	**1,932,992**	1,389,532
Return on equity	**0.03**	0.01
After-tax income	**₱64,533,932**	₱22,997,384
Total equity	**2,056,657,764**	2,009,399,956
Return on assets	**0.03**	0.01
After-tax income	**₱64,533,932**	₱22,997,384
Total assets	**2,277,558,219**	2,201,583,761
Other relevant ratios		
RBCA ratio	**1,317%**	1,440%
Ratio of AI to NLC	**10%**	9%
Ratio of Core Equity to ORR	**7,102%**	6,126%

SCHEDULE IX

CTS GLOBAL EQUITY GROUP, INC.
ADDITIONAL SUPPLEMENTARY SCHEDULES UNDER
ANNEX 68-J OF THE REVISED SRC RULE 68

DECEMBER 31, 2024

CTS GLOBAL EQUITY GROUP, INC.

SCHEDULE A
FINANCIAL ASSETS

DECEMBER 31, 2024

Name of Issuing Entity and Association of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Balance Sheet	Income Received and Accrued
Financial Assets at Amortized Cost			
Cash and cash equivalents	₱–	₱440,287,230	₱13,739,965
Trade receivables	–	440,150,621	–
Investments in government securities	462,220,000	464,463,427	24,979,979
Other assets	–	21,227,865	–
	462,220,000	1,366,129,143	38,719,944
Financial Assets at FVPL			
Various securities	14,891,270	65,382,724	3,489,399
Financial Assets at FVOCI			
Investments in government securities	748,732,000	787,172,302	39,514,042
Total	₱1,225,843,270	₱2,218,684,169	₱81,723,385

CTS GLOBAL EQUITY GROUP, INC.

SCHEDULE B
AMOUNTS RECEIVABLE FROM
DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES
AND PRINCIPAL STOCKHOLDERS
(OTHER THAN RELATED PARTIES)

DECEMBER 31, 2024

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Noncurrent	Balance at End of Period
			None.				

CTS GLOBAL EQUITY GROUP, INC.

SCHEDULE C
AMOUNTS RECEIVABLE FROM
RELATED PARTIES WHICH ARE ELIMINATED DURING
CONSOLIDATION OF FINANCIAL STATEMENTS

DECEMBER 31, 2024

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Noncurrent	Balance at End of Period

Not Applicable.

CTS GLOBAL EQUITY GROUP, INC.

SCHEDULE D
LONG-TERM DEBT

DECEMBER 31, 2024

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown Under Caption "Current Portion of Loans Payable" in Related Balance Sheet	Amount Shown Under Caption "Loans Payable - Net of Current Portion" in Related Balance Sheet	Interest Rate	Maturity Dates
		None.			

CTS GLOBAL EQUITY GROUP, INC.

SCHEDULE E
INDEBTEDNESS TO RELATED PARTIES

DECEMBER 31, 2024

Name of Related Party	Balance at Beginning of Period	Balance at End of Period
	None.	

CTS GLOBAL EQUITY GROUP, INC.

SCHEDULE F
GUARANTEES OF SECURITIES AND OTHER ISSUERS

DECEMBER 31, 2024

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for Which Statement is Filed	Nature of Guarantee
		None.		

CTS GLOBAL EQUITY GROUP, INC.

SCHEDULE G
CAPITAL STOCK

DECEMBER 31, 2024

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as Shown Under Related Balance Sheet Caption	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held by Related Parties	Directors, Officers and Employees	Others
Common Stock	8,000,000,000	6,875,000,000	–	–	4,645,322,500	2,229,677,500

CTS GLOBAL EQUITY GROUP, INC.

SCHEDULE FOR LISTED COMPANIES
WITH A RECENT OFFERING OF SECURITIES TO THE PUBLIC
December 31, 2024

	Estimated	Actual
Gross Proceeds	₱1,375,000,000	₱1,375,000,000
Offer Expenses	(21,728,465)	(21,728,465)
Net Proceeds	1,353,271,535	1,353,271,535
Use of Proceeds		
Scaling of global trading operations	(1,233,271,535)	(561,794,345)
Client account management expansion	(20,000,000)	–
General corporate purposes	(100,000,000)	(10,293,548)
	(1,353,271,535)	(572,087,893)
Unapplied Proceeds	₱–	₱781,183,642

CTS GLOBAL EQUITY SECURITIES, INC.

SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION

DECEMBER 31, 2024 AND 2023

	2024	2023
Total Audit Fees	**₱925,000**	₱900,000
Non-audit service fees:		
Other assurance services	**–**	–
Tax services	**120,000**	–
All other services	**250,000**	510,000
Total Non-audit Fees	**370,000**	510,000
Total Audit and Non-audit Fees	**₱1,295,000**	₱1,410,000