SECURITIES AND EXCHANGE COMMISSION
THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph

The following document has been received:

Receiving: Ma. Theresa Mabuyo
Receipt Date and Time: May 02, 2025 11:28:34 AM

Company Information

SEC Registration No.: 0000167631
Company Name: GOLDSTAR SECURITIES INC.
Industry Classification: J66930
Company Type: Stock Corporation

Document Information

Document ID: OST10502202583246562
Document Type: Annual Audited Financial Report
Document Code: SEC_Form_52-AR
Period Covered: December 31, 2024
Submission Type: Annual
Remarks: None

Acceptance of this document is subject to review of forms and contents

Re: AFS 52AR

1 message

Danielle Angelica P. Saenz <dapsaenz@sec.gov.ph> Fri, May 2, 2025 at 12:20 PM
To: "Goldstar Securities Inc." <goldstarsecurities@gmail.com>

Given this, I have noted your email submission on 30 April 2025.

Best Regards,

Danielle "Dani" Angelica Saenz
Securities Specialist I
Markets and Intermediaries Division
Markets and Securities Regulation Department
SECURITIES AND EXCHANGE COMMISSION

Telephone: +63 2 8818 5703 |
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On Fri, May 2, 2025 at 12:18 PM Danielle Angelica P. Saenz <dapsaenz@sec.gov.ph> wrote:

> Referring to the mentioned MC, also quoting SRC IRR Rule 52.1.5.2, it states:
>
> "However, for brokers and dealers whose fiscal years end on December 31, SEC Form 52-AR shall be filed with the Commission on April 30. Brokers and dealers whose fiscal years end on a date other than December 31 shall file SEC Form 52-AR, 110 calendar days after the close of their respective fiscal years."
>
> Best Regards,

Danielle "Dani" Angelica Saenz
Securities Specialist I
Markets and Intermediaries Division
Markets and Securities Regulation Department
SECURITIES AND EXCHANGE COMMISSION

Telephone: +63 2 8818 5703 |
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On Fri, May 2, 2025 at 11:31 AM Goldstar Securities Inc. <goldstarsecurities@gmail.com> wrote:

> Hi Danielle,
>
> It was submitted today 5/2/25 via EFast. We based the submission date on MC No. 1 Series of 2025.
>
> Thank you.
>
> **GOLDSTAR SECURITIES, INC.**
> 2201-B East Tower, Tektite Building
> Ortigas Center, Pasig City
> 8633-7485
>
> On Fri, May 2, 2025 at 8:07 AM Danielle Angelica P. Saenz <dapsaenz@sec.gov.ph> wrote:
>
>> Good day, may I know if this has been submitted via eFAST?
>>
>> Best Regards,
>>
>> **Danielle "Dani" Angelica Saenz**
>> Securities Specialist I
>> Markets and Intermediaries Division
>> Markets and Securities Regulation Department
>> SECURITIES AND EXCHANGE COMMISSION
>>
>> Telephone: +63 2 8818 5703 |
>> **Securities and Exchange Commission**
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>>
>>
>>
>> On Wed, Apr 30, 2025 at 10:12 PM Goldstar Securities Inc. <goldstarsecurities@gmail.com> wrote:
>>
>>> SEC Registration No.: 000167631
>>> Company Name: GOLDSTAR SECURITIES INC.
>>> Document Code : AFS
>>>
>>> **GOLDSTAR SECURITIES, INC.**
>>> 2201-B East Tower, Tektite Building
>>> Ortigas Center, Pasig City
>>> 8633-7485

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1	6	7	6	3	1

Company Name

GOLDSTAR SECURITIES, INC.

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

UNIT 2201-B EAST TOWER
PSE CENTRE, EXCHANGE ROAD,
ORTIGAS CENTRE, PASIG CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	CRMD	BROKER DEALER

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
goldstarsecurities@gmail.com	8633 7485	9177944068

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
8	Every First Monday of April	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
Joseph L. Mancilla, Jr.	goldstarsecurities@gmail.com	8636 0197 to 99	N/A

Contact Person's Address

27 Odysseus St., Bagumbayan, Quezon City

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

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

From: Goldstar Securities Inc. <goldstarsecurities@gmail.com>
Sent: Wednesday, April 30, 2025 5:28 PM
To: Shaira Joyce F. Quillano; King David Mariano
Subject: Fwd: Your BIR AFS eSubmission uploads were received

GOLDSTAR SECURITIES, INC.
2201-B East Tower, Tektite Building
Ortigas Center, Pasig City
8633-7485

---------- Forwarded message ---------
From: <eafs@bir.gov.ph>
Date: Wed, Apr 30, 2025 at 5:08 PM
Subject: Your BIR AFS eSubmission uploads were received
To: <GOLDSTARSECURITIES@gmail.com>
Cc: <ROMEO.DEJESUS@rsbernaldo.com>

Hi GOLDSTAR SECURITIES, INC.,

Valid files

- EAFS000222746ITRTY122024.pdf
- EAFS000222746AFSTY122024.pdf

Invalid file

- <None>

Transaction Code: AFS-0-NZRXRZXN07JFJ9758P1QXWRWW0BJGBHCEH
Submission Date/Time: Apr 30, 2025 05:07 PM
Company TIN: 000-222-746

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

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

GOLDSTAR SECURITIES, INC.

MEMBER: PHILIPPINE STOCK EXCHANGE

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

The Management of **GOLDSTAR SECURITIES, INC.** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2024 and 2023, in accordance with the Philippine Financial Reporting Standards (PFRS), and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless Management 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.

R. S. Bernaldo & Associates, 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.

JOSEPH L. MANCILLA, JR.
Chairman of the Board

JENNIE L. MANCILLA
President

PEARL NCKYLA ONG
Treasurer

Signed this 15th day of April 2025

2201-B EAST TOWER, TEKTITE TOWER, EXCHANGE ROAD, ORTIGAS CENTER, PASIG CITY
TELS. (OFFICE) 633-7485 • 637-1632 FAX: (632) 633-7487

PKF
R.S. Bernaldo & Associates

R.S. Bernaldo & Associates
18/F Cityland Condominium 10
Tower 1, 156 H.V. dela Costa St.,
Ayala North, Makati City,
Philippines 1226

+632 8812-1718 to 22
info@pkfrsbernaldo.com
www.pkfrsbernaldo.com

INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Stockholders
GOLDSTAR SECURITIES, INC.
E-2201B East Tower, PSE Centre
Exchange Road, Ortigas Center, Pasig City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **GOLDSTAR SECURITIES, INC.** (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 then ended, and notes to the financial statements, including a summary of material accounting policies.

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

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *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 together with the ethical requirements that are relevant to our audits of the financial statements in Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audits. 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 audits 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 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 audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations Nos. 15-2010, 19-2011, and 34-2020. in Note 33, respectively, to the financial statements, is presented for purposes of filing with Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the Management of **GOLDSTAR SECURITIES, INC.** The information has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

R.S. BERNALDO & ASSOCIATES
BOA/PRC No. 0300
Valid until November 19, 2026
SEC Group A Accreditation No. 0300-SEC
Valid until 2024 audit period
BSP Group B Accreditation No. 0300-BSP
Valid until 2026 audit period
BIR Accreditation No. 08-007679-000-2023
Valid from January 31, 2023 until January 30, 2026
IC Group A Accreditation No. 0300-IC
Valid until 2026 audit period

ROSE ANGELI S. BERNALDO
Partner
CPA Certificate No. 114127
BOA/PRC No. 0300/P-006
Valid until November 19, 2026
SEC Group A Accreditation No. 114127-SEC
Valid until 2027 audit period
BSP Group B Accreditation No. 114127-BSP
Valid until 2025 audit period
BIR Accreditation No. 08-007679-001-2023
Valid from October 20, 2023 until October 19, 2026
Tax Identification No. 211-870-290
PTR No. 10481163
Issued on January 15, 2025 at Makati City

April 15, 2025

GOLDSTAR SECURITIES, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2024 and 2023
(In Philippine Peso)

		2024			2023		
			Security Valuation			Security Valuation	
	NOTES	Book Value	Long	Short	Book Value	Long	Short
A S S E T S							
Current Assets							
Cash	7	48,564,178			52,422,802		
Trade and other receivables	8	9,215,607	26,862,115		15,308,323	78,502,466	
Financial assets at FVTPL	9	101,911,345			97,195,228		
Prepayments and other current asset	10	424,210			359,096		
		160,115,340	26,862,115	-	165,285,449	78,502,466	-
Non-current Assets							
Property and equipment – net	11	2,899,559			528,313		
Intangible asset	12	633,600			633,600		
Refundable deposits	13	52,852			52,852		
Deferred tax assets	26	8,215,210			7,077,000		
		11,801,221	-	-	8,291,765	-	-
TOTAL ASSETS		171,916,561	26,862,115	-	173,577,214	78,502,466	-
S E C U R I T I E S							
In Vault, Transfer Office and Philippine Central Depository, Inc.				1,463,331,278			1,287,293,734
LIABILITIES AND STOCKHOLDERS' EQUITY							
L I A B I L I T I E S							
Current Liabilities							
Trade and other payables	14	19,570,948	1,436,469,163		20,141,859	1,208,791,268	
Loans payable	15	35,000,000			28,000,000		
TOTAL LIABILITIES		54,570,948	1,436,469,163		48,141,859	1,208,791,268	
S T O C K H O L D E R S' E Q U I T Y							
Capital Stock	17	100,000,000			100,000,000		
Appropriated Retained Earnings	18	2,831,928			2,831,928		
Unappropriated Retained Earnings		14,513,685			22,603,427		
TOTAL STOCKHOLDERS' EQUITY		117,345,613			125,435,355		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		171,916,561	1,463,331,278	1,463,331,278	173,577,214	1,287,293,734	1,287,293,734

(See Notes to Financial Statements)

GOLDSTAR SECURITIES, INC.
STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2024 and 2023
(In Philippine Peso)

	NOTES	2024	2023
REVENUE	19	**5,326,910**	4,505,658
COST OF SERVICES	20	**8,440,288**	7,595,375
GROSS LOSS		**(3,113,378)**	(3,089,717)
FAIR VALUE LOSS ON FINANCIAL ASSETS AT FVTPL			
Financial assets at FVTPL	9	**(4,265,467)**	(5,297,913)
OTHER INCOME (EXPENSE) – net	21	**4,390,438**	(402,955)
		(2,988,407)	(8,790,585)
OPERATING EXPENSES	22	**6,094,060**	5,108,309
FINANCE COST	15	**145,485**	17,889
LOSS BEFORE TAX		**(9,227,952)**	(13,916,783)
INCOME TAX BENEFIT	25	**(1,138,210)**	(6,037,667)
(LOSS)		**(8,089,742)**	(7,879,116)
LOSS PER SHARE			
Basic Loss per Share	27	**(8.09)**	(7.88)

(See Notes to Financial Statements)

GOLDSTAR SECURITIES, INC.
STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2024 and 2023
(In Philippine Peso)

	Notes	Capital Stock	Retained Earnings		Total
			Appropriated	**Unappropriated**	
Balance at January 1, 2023		100,000,000	2,831,928	30,482,543	**133,314,471**
Loss				(7,879,116)	**(7,879,116)**
Balance at December 31, 2023	17,18	**100,000,000**	**2,831,928**	**22,603,427**	**125,435,355**
Loss				(8,089,742)	**(8,089,742)**
Balance at December 31, 2024	17,18	**100,000,000**	**2,831,928**	**14,513,685**	**117,345,613**

(See Notes to Financial Statements)

GOLDSTAR SECURITIES, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2024 and 2023
(In Philippine Peso)

	NOTES	**2024**	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		**(9,227,952)**	(13,916,783)
Adjustments for:			
Financial assets at FVTPL	9	**4,265,467**	5,297,913
Depreciation	11,22	**499,212**	499,218
Finance cost	15	**145,485**	17,889
Reversal of allowance for expected credit losses	8,21	**-**	(140,165)
Finance income	7,21	**(152,637)**	(727,393)
Dividend income	9,21	**(1,375,565)**	(879,116)
Operating cash flows before changes in working capital		**(5,845,990)**	(9,848,437)
Decrease (Increase) in operating assets:			
Trade and other receivables		**6,092,716**	(8,811,749)
Deferred tax assets		**(8,981,584)**	(46,664,688)
Prepayments and other current asset		**(65,114)**	(85,614)
Increase (Decrease) in trade and other payables		**(553,022)**	3,258,270
Net cash used in operating activities		**(9,352,994)**	(62,152,218)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend income received	9,21	**1,375,565**	879,116
Finance income received	7,21	**152,637**	727,393
Additions to property and equipment	11	**(2,870,458)**	(76,000)
Net cash from (used in) investing activities		**(1,342,256)**	1,530,509
CASH FLOWS FROM FINANCING ACTIVITIES			
Availment of loans	15	**35,000,000**	28,000,000
Finance cost paid	15	**(163,374)**	-
Payments of loans	15	**(28,000,000)**	-
Net cash from financing activities		**6,836,626**	28,000,000
NET DECREASE IN CASH		**(3,858,624)**	(32,621,709)
CASH AT BEGINNING OF YEAR		**52,422,802**	85,044,511
CASH AT END OF YEAR		**48,564,178**	52,422,802

(See Notes to Financial Statements)

GOLDSTAR SECURITIES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

1. CORPORATE INFORMATION

Goldstar Securities, Inc. (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 29, 1989 with Registration No. 167631. The Company is primarily engaged in the brokerage business of stocks, bonds and other financial securities and in all activities directly or indirectly connected therewith or incidental thereto and to be a member of any stocks or commodity exchange, as well as board of realtors, national, regional or local.

The Company is wholly-owned by Filipino individuals.

The Company's registered office address is located at E-2201B East Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City.

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The Philippine Financial and Sustainability Reporting Standards Council (FSRSC) approved the issuance of new and revised Philippine Financial Reporting Standards (PFRS). The term "PFRS" in general includes all applicable PFRS, Philippine Accounting Standards (PAS), and Interpretations issued by the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the FSRSC and adopted by SEC.

These new and revised PFRS prescribe new accounting recognition, measurement and disclosure requirements applicable to the Company. When applicable, the adoption of the new standards was made in accordance with their transitional provisions, otherwise the adoption is accounted for as change in accounting policy under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

2.01 New and Revised PFRSs Applied with No Material Effect on the Financial Statements

The following new and revised PFRSs have been adopted in these financial statements. The application of these new and revised PFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

  The amendments to PAS 1 are the following:

  - clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
  - clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and

- make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments defer the effective date of the January 2020 Classification of Liabilities as Current or Non-Current (Amendments to PAS 1) to annual reporting periods beginning on or after January 1, 2024.

- Amendments to PAS 7 and PFRS 7, *Supplier Finance Arrangements*

  The amendments introduce new disclosure requirements to enhance the transparency and, thus, the usefulness of the information provided by entities about supplier finance arrangements.

  The amendments are effective to annual reporting periods beginning on or after January 1, 2024.

- Amendments to PAS 1, *Non-current Liabilities with Covenants*

  The amendments clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current. Additional disclosures are required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period.

  The amendments are effective to annual reporting periods beginning on or after January 1, 2024.

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

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

  The amendments are effective to annual reporting periods beginning on or after January 1, 2024.

2.02 New and Revised PFRSs in Issue but Not Yet Effective

The Company will adopt the following standards and interpretations enumerated below when they become effective. Except as otherwise indicated, the Company does not expect the adoption of these new and amended PFRS, to have significant impact on the financial statements.

2.02.01 Standard Adopted by FSRSC and Approved by the Board of Accountancy (BOA)

- PFRS 17*, Insurance Contracts*

  PFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. It requires an entity that issues insurance contracts to report them on the balance sheet as the total of the fulfilment cash flows and the contractual service margin. It requires an entity to provide information that distinguishes two ways insurers earn profits from insurance contracts: the insurance service result and the financial result. It requires an entity to report as insurance revenue the amount charged for insurance coverage when it is earned, rather than when the entity receives premium. It requires that insurance revenue exclude the deposits that represent the investment of the policyholder, rather than an amount charged for services.

Similarly, it requires the entity to present deposit repayments as settlements of liabilities rather than as insurance expense.

PFRS 17 is effective for annual periods beginning on or after January 1, 2025. However, the effectivity date for all Health Maintenance Organizations (HMOs) is beginning on or after January 1, 2027, and all Mutual Benefits Associations (MBAs) doing business in the Philippines is effective beginning on or after January 1, 2030. Early application is permitted for entities that apply PFRS 9, *Financial Instruments* and PFRS 15, *Revenue from Contracts with Customers* on or before the date of initial application of PFRS 17.

An entity shall apply PFRS 17 retrospectively unless impracticable, except that an entity is not required to present the quantitative information required by paragraph 28(f) of PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* and an entity shall not apply the option in paragraph B115 for periods before the date of initial application of PFRS 17. If, and only if, it is impracticable, an entity shall apply either the modified retrospective approach or the fair value approach.

- Amendments to PFRS 17*, Insurance Contracts*

  The amendments cover the following areas:

  - Insurance acquisition cash flows for renewals outside the contract boundary;
  - Reinsurance contracts held—onerous underlying insurance contracts;
  - Reinsurance contracts held—underlying insurance contracts with direct participation features; and
  - Recognition of the contractual service margin in profit or loss in the general model.

  The amendments are effective to annual reporting periods beginning on or after January 1, 2025. However, the effectivity date for all Health Maintenance Organizations (HMOs) is beginning on or after January 1, 2027, and all Mutual Benefits Associations (MBAs) doing business in the Philippines is effective beginning on or after January 1, 2030.

- Amendment to PFRS 17*, Initial Application of PFRS 17 and PFRS 9—Comparative Information*

  The amendment is a transition option relating to comparative information about financial assets presented on initial application of PFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements.

  PFRS 17 incorporating the amendment is effective for annual reporting periods beginning on or after January 1, 2025. However, the effectivity date for all Health Maintenance Organizations (HMOs) is beginning on or after January 1, 2027, and all Mutual Benefits Associations (MBAs) doing business in the Philippines is effective beginning on or after January 1, 2030.

- Amendments to PAS 21, *Lack of Exchangeability*

  The amendments contains guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

  The amendments cover the following areas:

  - Specify when a currency is exchangeable into another currency and when it is not — a currency is exchangeable if it can be exchanged for another currency through markets or mechanisms that establish enforceable rights and obligations without delay, while it is not exchangeable if an entity can only obtain a small amount of the other currency.
  - Specify how an entity determines the exchange rate to apply when a currency is not exchangeable — when a currency isn't exchangeable at a measurement date, an entity estimates the spot exchange rate as the rate that would have applied in an orderly transaction.
  - Require the disclosure of additional information when a currency is not exchangeable - when a currency is not exchangeable, an entity discloses information to its financial statements, allowing users to assess its financial performance, position, and cash flows.

  The amendments are effective to annual reporting periods beginning on or after January 1, 2025, with early application permitted.

- Amendments to PFRS 9 and PFRS 7, *Amendments to the Classification and Measurement of Financial Instruments*

  The amendments cover the following areas:

  - Derecognition of a financial liability settled through electronic transfer – the amendments allow entities to discharge a financial liability settled in cash using an electronic payment system if specific criteria are met, and apply the derecognition option to all settlements made through the same system.
  - Classification of financial assets:
    - Contractual terms that are consistent with a basic lending arrangement – the amendments outline how entities can evaluate whether contractual cash flows of a financial asset align with a basic lending arrangement, illustrating this through examples of financial assets with or without principal and interest payments.
    - Assets with non-recourse features – the term 'non-recourse' is enhanced, defining a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
    - Contractually linked instruments – the amendments clarify that not all transactions with multiple debt instruments meet classification criteria, and that instruments in the underlying pool can include financial instruments not covered by classification requirements.
  - There are amendments in the required disclosure for financial assets and liabilities with contractual terms that reference a contingent event and equity instruments classified at fair value through other comprehensive income.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Earlier application of either all the amendments at the same time or only the amendments to the classification of financial assets is permitted.

An entity is required to apply the amendments retrospectively. An entity is not required to restate prior periods to reflect the application of the amendments, but may do so if, and only if, it is possible to do so without the use of hindsight.

- Annual Improvements to PFRS Accounting Standards - Volume 11

  The International Accounting Standards Board (IASB) has published proposed narrow-scope amendments to PFRS Accounting Standards and accompanying guidance as part of its periodic maintenance of the Accounting Standards.

  The proposed amendments included in the Exposure Draft *Annual Improvements to PFRS Accounting Standards—Volume 11* relate to:

  - PFRS 1, *First-time Adoption of International Financial Reporting Standards, Hedge Accounting by a First-Time Adopter* – the amendment addresses a potential confusion arising from an inconsistency in wording between paragraph B6 of PFRS 1 and requirements for hedge accounting in PFRS 9, *Financial Instruments*.
  - PFRS 7, *Financial Instruments: Disclosures*
    - Gain or Loss on Derecognition – the amendment addresses a potential confusion in paragraph B38 of PFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when PFRS 13, *Fair Value Measurement* was issued.
    - Disclosure of Deferred Difference Between Fair Value and Transaction Price – the amendment addresses an inconsistency between paragraph 28 of PFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of PFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance.
    - Introduction and Credit Risk Disclosures – the amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7 and by simplifying some explanations.
  - PFRS 9, *Financial Instruments*
    - Lessee derecognition of lease liabilities – the amendment addresses a potential lack of clarity in the application of the requirements in PFRS 9 to account for an extinguishment of a lessee's lease liability that arises because paragraph 2.1(b)(ii) of PFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of PFRS 9.
    - Transaction price – the amendment addresses a potential confusion arising from a reference in Appendix A to PFRS 9 to the definition of 'transaction price' in PFRS 15, *Revenue from Contracts with Customers* while term 'transaction price' is used in particular paragraphs of PFRS 9 with a meaning that is not necessarily consistent with the definition of that term in PFRS 15.

- PFRS 10, *Consolidated Financial Statements, Determination of a 'de facto agent'* – the amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of PFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.
- PAS 7, *Statement of Cash Flows, Cost Method* – the amendment addresses a potential confusion in applying paragraph 37 of PAS 7 that arises from the use of the term 'cost method' that is no longer defined in PFRS Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026.

- PFRS 18, *Presentation and Disclosure in Financial Statements*

  PFRS 18 supersedes PAS 1, *Presentation and Disclosure in Financial Statements*. This new standard is a result of IASB's Primary Financial Statements project, which aimed at improving comparability and transparency of communication in financial statements.

  While several sections from PAS 1, have been retained with minimal changes in wording, PFRS 18 introduces new requirements for the presentation and disclosures in financial statements.

  The new requirements include:

  - Improved comparability in the statement of profit or loss (income statement);
  - Enhanced transparency of management-defined performance measures; and
  - More useful grouping of information in the financial statements.

  Retrospective application is required in both annual and interim financial statements. PFRS 18 is effective beginning on or after January 1, 2027, with early application permitted.

- PFRS 19, *Subsidiaries without Public Accountability: Disclosures*

  PFRS 19 allows eligible entities to provide reduced disclosures compared to the requirements in other PFRS accounting standards. Entities that elect PFRS 19 are still required to apply the recognition, measurement and presentation requirements of other PFRS accounting standards.

  An entity may elect to apply the PFRS 19 if at the end of reporting period:

  - It is a subsidiary as defined in PFRS 10, *Consolidated Financial Statements*;
  - It does not have public accountability; and
  - It has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with PFRS accounting standards.

An eligible entity (including an intermediate parent) can apply PFRS 19 in its consolidated, separate or individual financial statements. PFRS 19 is applicable for both annual and interim reporting.

PFRS 19 is effective beginning on or after January 1, 2027, with early application permitted.

2.02.02 Deferred

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

  The amendments clarify the treatment of the sale or contribution of assets between an investor and its associate and joint venture. This requires an investor in its financial statements to recognize in full the gains and losses arising from the sale or contribution of assets that constitute a business while recognize partial gains and losses if the assets do not constitute a business (i.e. up to the extent only of unrelated investor share).

  On January 13, 2016, the FSRSC decided to postpone the original effective date of January 1, 2016 of the said amendments until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

3. BASIS FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

3.01 Statement of Compliance

The financial statements have been prepared in conformity with PFRS and are under the historical cost convention, except for certain financial instruments that are carried at fair value or amortized cost.

3.02 Functional and Presentation Currency

Items included in the financial statements of the Company are measured using Philippine Peso (₱), the currency of the primary economic environment in which the Company operates (the "functional currency").

The Company chose to present its financial statements using its functional currency.

3.03 Current and Non-Current Presentation

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 twelve (12) months after the reporting period; or
- The asset is cash unless the asset is restricted from being exchanged or used to settle a liability for at least twelve (12) months after the reporting period.

The Company classifies all other assets as non-current.

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 twelve (12) months after the reporting period; or
- It does not have an unconditional right to defer settlement of the liability for at least twelve (12) months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

4. MATERIAL ACCOUNTING POLICIES

Principal accounting and financial reporting policies applied by the Company in the preparation of its financial statements are enumerated below and are consistently applied to all the years presented, unless otherwise stated.

4.01 Fair Value Measurement

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.

When measuring fair value, the Company takes into consideration the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement assumes that the transaction to sell the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions. In addition, it assumes that the transaction takes place either: (a) in the principal market; or (b) in the absence of a principal market, in the most advantageous market.

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

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

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

4.02 Financial Assets

4.02.01 Initial Recognition and Measurement

The Company recognizes a financial asset in its statements of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Except for trade receivables that do not have a significant financing component, at initial recognition, the Company measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At initial recognition, the Company measures trade receivables that do not have a significant financing component at their transaction price.

4.02.02 Classification

- Financial Asset at Amortized Cost

  A financial asset 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.

  The Company's financial assets measured at amortized cost include cash in banks, reserve bank account, trade and other receivables, and refundable deposits.

  a) Cash in Banks and Reserve Bank Account

  Cash in banks and reserve bank account pertain to cash deposits held at call with banks that are subject to insignificant risk of change in value. This shall be measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

  b) Trade and Other Receivables

  Trade and other receivables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method, less estimated credit loss. An estimated credit loss of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of trade and other receivables.

- Financial Asset at Fair Value through Profit or Loss

  The Company, at initial recognition, irrevocably designates a financial asset as measured at fair value through profit or loss, because it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

  The Company's financial asset measured at fair value through profit or loss pertains to investment in securities traded in the stock exchange.

The Company has no financial assets measured at fair value through other comprehensive income in both years.

4.02.03 Effective Interest Method

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for: purchased or originated credit-impaired financial assets and financial assets that are not purchased or originated credit-impaired but subsequently have become credit-impaired.

4.02.04 Impairment

The Company measures expected losses of a financial instrument in a way that reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable assumption that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The Company adopted the following approaches in accounting for impairment.

- General Approach

  The Company applies the general approach to cash in banks, reserve bank account, other receivables, and refundable deposits. At each reporting date, the Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. However, if the credit risk has not increased significantly, the Company measures the loss allowance equal to twelve (12) month expected credit losses.

  The Company compares the risk of default occurring as at the reporting date with the risk of default occurring as at the date of initial recognition and considers the banks' credit ratings, macro-economic factors such as GDP, interest, and inflation rates, the performance of the counterparties' industry, and the available financial information of each counterparty to determine whether there is a significant increase in credit risk or not since initial recognition.

  The Company determines that there has been a significant increase in credit risk when there is a significant decline in the factors.

  The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition because the financial instrument is determined to have low credit risk at the reporting date.

  The Company did not apply the 30 days past due rebuttable presumption because the Company determines that there have been significant increases in credit risks before contractual payments are more than 30 days past due.

  The Company did not apply the 90 days past due rebuttable presumption in determining whether a financial asset is credit-impaired or not, since based on the Company's historical experiences and aging schedules, a creditor's account will be written off when they become 365 days past due and upon further assessment and approval.

If the Company has measured the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date, that the credit quality improves (i.e. there is no longer a significant increase in credit risk since initial recognition), then the Company shall measure the loss allowance at an amount equal to twelve (12)-month expected credit losses at the current reporting date.

The Company recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

The Company performs the assessment of significant increases in credit risk on an individual basis.

The Company determines that a financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the counterparty;
- A breach of contract, such as a default or past due event;
- The lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; and
- It is becoming probable that the counterparty will enter bankruptcy or other financial reorganization.

➢ Simplified Approach

The Company always measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables. The Company determines that a financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the counterparty;
- A breach of contract, such as a default or past due event;
- The lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider; and
- It is becoming probable that the counterparty will enter bankruptcy or other financial reorganization.

4.02.05 Derecognition

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition. The difference between the carrying amount and the consideration received is recognized in profit or loss.

4.03 Property and Equipment

Property and equipment are initially measured at cost. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Subsequent to initial recognition, property and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is computed on the straight-line method based on the estimated useful lives of the assets as follows:

Condominium and improvements	20 years
Transportation equipment	3 to 5 years
Furniture and equipment	3 years

The residual values, useful lives and depreciation method of the Company's property and equipment is reviewed, and adjusted prospectively if appropriate, if there is an indication of a change since the last reporting date.

An item of property and equipment is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of a property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss.

4.04 Intangible Asset

Intangible assets acquired separately are initially carried at cost. Subsequently, intangible assets with definite useful life are carried at cost less accumulated amortization and accumulated impairment losses.

The estimated useful life, residual value and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite life are not amortized. However, such assets are reviewed annually to ensure the carrying amount does not exceed the recoverable amount regardless of whether an indicator of impairment is present. The Company considers its Philippine Stock Exchange trading rights as having an indefinite useful life for the reason that there is no limit in the period in which the Company may generate cash inflows from this asset. The assessment of indefinite life is reviewed annually to determine whether indefinite useful life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. Any impairment losses determined is recognized in profit or loss.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss.

4.05 Impairment of Assets

At each reporting date, the Company assesses whether there is any indication that any assets other than deferred tax assets and financial assets that are within the scope of PFRS 9, *Financial Instruments* may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized as an expense.

When an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized as income.

4.06 Borrowing Costs

All borrowing costs are recognized in profit or loss in the period in which they are incurred.

4.07 Financial Liabilities

4.07.01 Initial Recognition and Measurement

The Company recognizes financial liability in its statements of financial position when, and only when, the Company becomes party to the contractual provisions of the instrument.

At initial recognition, the Company measures financial liability at its fair value minus, in the case of financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the liability.

4.07.02 Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for:

- financial liabilities at fair value through profit or loss;
- financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies;
- financial guarantee contracts;
- commitments to provide a loan at a below-market interest rate; and
- contingent consideration recognized by an acquirer in a business combination.

The Company's financial liabilities measured at amortized cost include trade and other payables (excluding payable to government agencies) and loans payable.

The Company has no financial liability at fair value through profit or loss in both years.

4.07.03 Derecognition

The Company removes a financial liability (or part of a financial liability) from its statements of financial position when, and only when, it is extinguished (i.e., when the obligation in the contract is discharged or cancelled or expires).

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4.08 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Ordinary shares are classified as equity.

4.09 Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is 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 an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

4.10 Employee Benefits

4.10.01 Short-term Employee Benefits

The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term employee benefits are composed of salaries, wages and other benefits and SSS, PhilHealth, HDMF and other contributions.

4.11 Revenue Recognition

The Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

4.11.01 Performance Obligations Satisfied Over Time

The Company's revenue from commission on stock brokering is recognized over time. The Company transfers control of a service over time and, therefore, satisfies a performance obligation and recognizes revenue over time when the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

Commission income is recognized upon confirmation of the buying and selling transaction. Commission rates charged differ from one client to another, but should not be below the minimum commission of ₱20 and above the maximum commission of 1.5% set by Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC).

Per 2015 SRC Rule 30.2, the following minimum commission rates apply:

Transaction Value	Commission Rate
> ₱100M and below	0.00250
> ₱100M up to ₱500M	0.00150 but not less than ₱250K
> ₱500M up to ₱1B	0.00125 but not less than ₱750K
> ₱1B up to ₱5B	0.00100 but not less than ₱1.25M
> ₱5B up to ₱10B	0.00075 but not less than ₱5M
> ₱10B	0.00050 but not less than ₱7.5M

4.11.02 Principal versus Agent Considerations

The Company should determine whether it is a principal or an agent in a transaction through the nature of its promise in a performance obligation.

The Company is a principal when the entity controls a promised service before the entity delivers the service to a customer. However, the entity is not necessarily acting as a principal if the entity obtains a legal title of a product only momentarily before legal title is transferred to a customer. An entity that is a principal in a contract may satisfy a performance obligation by itself or it may engage another party to satisfy some or all of a performance obligation, thus, the entity recognizes revenue in the gross amount of consideration which it expects to be entitled in exchange of services transferred.

The Company is an agent if the entity's performance obligation is to arrange for the provision of services by another party. When an entity that is an agent satisfies a performance obligation, the entity recognizes revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide services. An entity's fee or commission might be the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the services to be provided by that party.

4.11.03 Dividend Income

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

4.12 Expense Recognition

Expense encompasses losses as well as those expenses that arise in the course of the ordinary activities of the Company.

The Company recognizes expenses in the statements of comprehensive income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

4.13 Related Parties and Related Party Transactions

A related party is a person or entity that is related to the Company that is preparing its financial statements. A person or a close member of that person's family is related to Company if that person has control or joint control over the Company, has significant influence over the Company or is a member of the key management personnel of the Company or of a parent of the Company.

An entity is related to the Company if any of the following conditions applies:

- The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- Both entities are joint ventures of the same third party.
- One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- The entity has a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- The entity is controlled or jointly controlled by the person identified above.
- A person identified above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- Management entity providing key management personnel services to a reporting entity.

Close members of the family of a person are those family members, who may be expected to influence, or be influenced by, that person in their dealings with the Company and include that person's children and spouse or domestic partner; children of that person's spouse or domestic partner; and dependents of that person or that person's spouse or domestic partner.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

4.14 Taxation

Income tax expense represents the sum of the current and deferred taxes.

4.14.01 Current Tax

Current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4.14.02 Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits from excess Minimum Corporate Income Tax (MCIT) over Regular Corporate Income Tax (RCIT) and unused Net Operating Loss Carry-over (NOLCO), to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and carry forward of unused MCIT and unused NOLCO can be utilized. Deferred income 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 that affects neither the accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognized for taxable temporary differences. Deferred tax assets arising from deductible temporary differences are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4.14.03 Current and Deferred Taxes for the Period

Current and deferred taxes are recognized as an expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss, whether in other comprehensive income or directly in equity, in which case the tax is also recognized outside profit or loss.

4.15 Earnings per Share

The Company computes its basic earnings (loss) per share by dividing net income or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

4.16 Changes in Accounting Policies

The adoption of the new and revised standards and interpretations disclosed in Note 2.01 was made in accordance with their transitional provisions, otherwise the adoption is accounted for as change in accounting policy under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES

In the application of the Company's accounting policies, which are disclosed in Note 4, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

5.01 Critical Judgments in Applying Accounting Policies

Below are the critical judgments, apart from those involving estimations that Management has made in the process of applying the entity's accounting policies and have the most significant effect on the amounts recognized in financial statements.

5.01.01 Assessment of Principal-Agency Arrangement

Commission income includes only the gross inflows of economic benefits received and receivable by the entity on its own account. Amounts collected on behalf of third parties such as sales taxes and value added taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they are excluded from revenue. The Company is in an agency relationship where the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result in increases in equity for the entity. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission.

Furthermore, when another party is involved in providing goods or services to a customer, the entity shall determine whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the entity is a principal) or to arrange for the other party to provide those goods or services (i.e. the entity is an agent).

In 2024 and 2023, the Company assessed that it is acting as an agent and recognized commission income from agency relationship amounting to ₱5,326,910 and ₱4,505,658, respectively, as disclosed in Note 19.

In 2024 and 2023, the Company assessed that it is acting as a principal and recognized commission expense from principal relationship amounting to ₱1,849,321 and ₱1,613,121, respectively, as disclosed in Note 20.

5.01.02 Assessment of Contractual Terms of a Financial Asset

The Company determines whether the contractual terms of a financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In making its judgments, the Company considers whether the cash flows before and after the changes in timing or in the amount of payments represent only payments of principal and interest on the principal amount outstanding.

Management assessed that the contractual terms of all its financial assets (except financial assets at fair value through profit or loss) are payments of principal and interest that is consistent with basic lending arrangement.

As of December 31, 2024 and 2023, the Company's financial assets measured at amortized cost amounted to ₱57,817,638 and ₱67,768,977, respectively, as disclosed in Note 29.02.

As of December 31, 2024 and 2023, the Company's financial asset measured at fair value through profit or loss amounted to ₱101,911,345 and ₱97,195,228, respectively, as disclosed in Note 9.

5.01.03 Assessment of Timing of Satisfaction of Performance Obligations

An entity satisfies a performance obligation by transferring control of a promised good or service to the customer, which could occur over time or at a point in time.

Management assessed that performance obligation is satisfied over time for its commission income. This is recognized over time when the Company transfers control of a service over time and, therefore, satisfies a performance obligation and when the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

In 2024 and 2023, revenue earned from commission amounted to ₱5,326,910 and ₱4,505,658, respectively, as disclosed in Note 19. While gain and loss on sale of investments amounted to ₱720,079 and ₱3,595,900 in 2024 and 2023, respectively, as disclosed in Notes 9 and 21.

5.01.04 Assessment of the Transaction Price and the Amounts Allocated to Performance Obligations

A performance obligation is a vendor's promise to transfer a good or service that is 'distinct' from other goods and services identified in the contract.

Management assessed that allocation of transaction price to performance obligation is not applicable because there are separate agreements for the sale of financial assets at fair value through profit or loss and for the revenue from commission on stock brokering.

5.01.05 Assessment of 30 days Rebuttable Presumption

An entity determines when a significant increase in credit risks occurs on its financial assets based on the credit management practice of the entity.

Management believes that the 30 days rebuttable presumption on determining whether credit risk has increased significantly or not is not applicable since the Company determined that there has been no significant increases in credit risk before contractual payments are more than 30 days past due.

5.01.06 Assessment of 90 days Rebuttable Presumption

The Company determines when a default occurs on its financial assets based on the credit management practice of the Company.

Management believed that the 90 days rebuttable presumption on determining whether financial assets are credit-impaired is not applicable based on the Company's historical experiences and aging schedules, a creditor's account will be written off when they become 365 days past due and upon further assessment and approval.

5.01.07 Determining Whether or not a Contract Contains a Lease

Management assessed that contract for use of parking slots qualified as a lease since the contract contains an identified asset, the Company has the right to obtain substantially all of the economic benefits, and the Company has the right to direct the use of the identified asset throughout the period of use.

5.01.08 Determining whether or not it is Reasonably Certain that an Extension Option will be Exercised and Termination Option will not be Exercised

Lease term is the non-cancellable period for which the Company has the right to use an underlying asset including optional periods when the Company is reasonably certain to exercise an option to extend a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term and the enforceability of the option. The option to extend the lease term should be included in the lease term if it is reasonably certain that the lessee will exercise the option and the option is enforceable. The Company is required to reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

The lease contracts state the lease is terminated upon the expiration of the lease period, unless renewed by both parties. Thus, the lease term covers only the non-cancellable term of the contract, which is one (1) year for its parking slots.

5.02 Key Sources of Estimation of Uncertainties

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

5.02.01 Estimating Allowance for Expected Credit Losses

The Company evaluates the expected credit losses related to its financial assets (except financial assets at fair value through profit or loss) based on an individual assessment and available facts and circumstances including, but not limited to, historical loss experience macro-economic factors, industry performance, and financial information.

Management estimates proportion of the financial assets that has experienced a significant increase in credit risk using general information and calculate expected credit losses on that basis. A number of qualitative and quantitative factors may be considered to adjust the allowance for credit losses to reflect a more considerable value.

The Company uses credit ratings, performance of banking industry, macro-economic and bank's financial information to assess the expected credit losses on its cash in banks. In view of the foregoing factors, the Company determined that counterparty banks and Securities Clearing Corporation of the Philippines (SCCP) have low-credit risk or considered as investment grade and the probability of default is immaterial. Hence, no provision for expected credit loss was recognized in both years.

The Company uses advancements in technologies, stock market information and macro-economic factors, considers behavior of the receivables and financial status of customers and the clearing house to assess the expected credit losses on its trade and other receivables. In 2024, and 2023, the Company carried out a review on the collectability of trade receivables and decided to recognize a reversal of allowance for expected credit losses amounting to nil and ₱140,165, as disclosed in Notes 8 and 21.

Management believes that the amount of expected credit loss on its refundable deposits is considered immaterial; hence, the Company did not recognize provision for expected credit losses in both years, as disclosed in Note 29.02.

To measure the expected credit losses, the Company uses three (3) components for calculations, the probability of default, the loss given default, and the exposure at default, as disclosed in Note 29.02.

As of December 31, 2024 and 2023, the Company's financial assets measured at amortized cost amounted to ₱57,817,638 and ₱67,768,977, respectively, as disclosed in Note 29.02.

5.02.02 Reviewing Residual Values, Useful Lives and Depreciation Method of Property and Equipment

The residual values, useful lives and depreciation method of the Company's property and equipment are reviewed at least annually, and adjusted prospectively if appropriate, if there is an indication of a significant change in, how an asset is used; significant unexpected wear and tear; technological advancement; and changes in market prices since the most recent annual reporting date.

The useful lives of the Company's assets are estimated based on the period over which the assets are expected to be available for use. In determining the useful life of an asset, the Company considers the expected usage, expected physical wear and tear, technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output and legal or other limits on the use of the Company's assets.

In addition, the estimation of the useful lives is based on Company's collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. Reduction in the estimated useful lives of property and equipment would increase the recognized operating expenses and decrease non-current assets. The Company uses a depreciation method that reflects the pattern in which it expects to consume the asset's future economic benefits. If there is an indication that there has been a significant change in the pattern used by which a Company expects to consume an asset's future economic benefits, the entity shall review its present depreciation method and, if current expectations differ, change the depreciation method to reflect the new pattern.

In both years, Management assessed that there is no significant change in the residual values, useful lives and depreciation method used from previous estimates since the most recent annual reporting period. As of December 31, 2024 and 2023, the carrying amounts of property and equipment amounted to ₱2,899,559 and ₱528,313, respectively, as disclosed in Note 11.

5.02.03 Reviewing Residual Value, Useful Life and Amortization Method of Intangible Asset

The residual value, useful life and amortization method of an intangible asset are reviewed at least annually, and adjusted prospectively if appropriate, if there is an indication of a significant change in, how an asset is used; technological advancement; and changes in market prices since the most recent annual reporting date. Amortization begins when the intangible asset is available for use, i.e., when it is in the location and condition necessary for it to be usable in the manner intended by Management. Amortization ceases when the asset is derecognized.

PSE trading rights are assessed to have indefinite life and are not amortized. However, such assets are reviewed annually to ensure the carrying amount does not exceed the recoverable amount regardless of whether an indicator of impairment is present.

In both years, Management assessed that events and circumstances continue to support an indefinite useful life for its PSE trading rights. In both years, PSE trading rights amounted to ₱633,600, as disclosed in Note 12.

5.02.04 Asset Impairment

Impairment review is performed when certain impairment indicators are present. Determining the fair values of prepayments and other current asset, property and equipment, and intangible asset requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. In assessing value in use, the estimated future cash flows shall be discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

In addition, intangible asset with indefinite useful life is required to test impairment by comparing its recoverable amount with its carrying amount annually and whenever there is an indication that the intangible asset may be impaired.

While it is believed that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse impact on the results of operations.

In both years, Management believes that there is no indication of impairment in the value of its prepayments and other current assets, property and equipment, and intangible asset. As of December 31, 2024 and 2023, the aggregate carrying amounts of the aforementioned assets amounted to ₱3,887,165 and ₱1,521,009, respectively, as disclosed in Notes 10, 11 and 12.

5.02.05 Recoverability of Deferred Tax Assets

The Company reviews the carrying amounts at each reporting date and reduces deferred tax assets 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 prior to expiration.

The Company believes that it will generate sufficient taxable profit to allow all or part of its deferred tax assets to be utilized prior to expiration. As a result, deferred tax assets recognized in the statements of financial position as of December 31, 2024 and 2023 amounted to ₱8,215,209 and ₱7,077,000, respectively, as disclosed in Note 26.

5.02.06 Post-employment Benefits

The determination of the retirement benefit obligation and cost is dependent on the selection of certain assumptions used by actuaries in calculating such amounts.

Those assumptions include among others, discount rates, mortality of plan members and rates of compensation increase. In accordance with generally accepted accounting principle, actual results that differ from the assumptions and the effects of changes in actuarial assumptions are recognized directly as remeasurements in other comprehensive income. 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 pension and other retirement obligations.

The Company has three (3) qualified employees who have met the minimum length of service of at least five (5) years in the Company in accordance with the provisioning requirements of Republic Act No. 7641. However, the Company is exempted from the coverage of the provision. The Company opted to not recognize retirement benefits in both years.

6. OFFSETTING OF FINANCIAL ASSET AND LIABILITY

The details of the offsetting between the financial asset and financial liability are as follows:

		Gross carrying amount (before offsetting)		Gross amount set off		Net amount presented as part of trade and other receivables (Note 8)
December 31, 2024						
Financial asset:						
Receivable from clearing house	**₱**	**2,665,369,488**	**₱**	**2,657,561,323**	**₱**	**7,808,165**
Financial liability:						
Payable to clearing house		**2,657,561,323**		**2,657,561,323**		**-**
December 31, 2023						
Financial asset:						
Receivable from clearing house	₱	1,756,312,718	₱	1,743,633,496	₱	**12,679,222**
Financial liability:						
Payable to clearing house		1,743,633,496		1,743,633,496		-

The balance of receivable from clearing house, as disclosed in Note 8, is net of payable to clearing house amounting to ₱7,808,165 and ₱12,679,222 as of December 31, 2024 and 2023, respectively.

7. CASH

For the purpose of the statements of cash flows, cash includes cash on hand, cash in banks, and reserve bank account.

Cash at the end of the reporting period, as shown in the statements of cash flows, can be reconciled to the related items in the statements of financial position as follows:

		2024		2023
Cash on hand	₱	**15,000**	₱	15,000
Cash in banks		**27,993,614**		21,196,207
Reserve bank account		**20,555,564**		31,211,595
	₱	**48,564,178**	₱	52,422,802

Securities Regulation Code (SRC) Rule 49.2, *Customer Protection Reserves and Custody of Securities* requires every broker dealer to maintain at all times a special reserve bank account for the exclusive benefit of the customers which shall be separate from any other bank account of the broker-dealer. Withdrawals may be made from the reserve bank account to the extent that at the time of the withdrawals, the amount remaining in the reserve bank account is not less than the required minimum balance.

In both years, the effective interest rates on bank deposits are 0.65% on the reserve bank account and at floating rates based on daily deposit rates on other bank accounts. Aggregate finance income on cash amounted to ₱152,637 and ₱727,393 in 2024 and 2023, respectively, as disclosed in Note 21.

8. TRADE AND OTHER RECEIVABLES

The Company's trade and other receivables consist of:

		2024		2023
Trade	₱	**1,407,442**	₱	2,586,117
Receivable from clearing house – net		**7,808,165**		12,679,222
Others		**-**		42,984
	₱	**9,215,607**	₱	15,308,323

The average credit period on sales of trading securities is two (2) trading days. No interest is charged on trade receivables.

Receivable from clearing house pertains to the net-selling transactions (i.e., amount of selling transactions less the buying transactions) for the last two (2) trading days of the year, which will be settled in two (2) trading days following the date of the transaction. The amount is net of payable to clearing house amounting to ₱2,657,561,323 and ₱1,743,633,496 as of December 31, 2024 and 2023, respectively, as disclosed in Note 6.

The Company's trade receivables as of December 31, 2024 and 2023, arising from its security valuation are as follows:

				2024				
				Security Value of Debit Balances				
		Debit Balances		**Long**		**Short**		**Company Exposure**
Cash and fully secured accounts:								
More than 250%	**₱**	**1,250,542**	**₱**	**26,823,263**	**₱**	**-**	**₱**	**-**
Between 200% and 250%		**1,032**		**2,458**		**-**		**-**
Between 150% and 200%		**125**		**204**		**-**		**-**
Less than 100%		**155,743**		**36,190**		**-**		**-**
	₱	**1,407,442**	**₱**	**26,862,115**	**₱**	**-**	**₱**	**-**

				2023				
		Debit Balances		Long		Short		Company Exposure
Cash and fully secured accounts:								
More than 250%	₱	2,426,078	₱	78,465,498	₱	-	₱	-
Between 200% and 250%		126		241		-		-
Less than 100%		158,885		36,727		-		-
Unsecured accounts		1,028		-		-		1,028
	₱	2,586,117	₱	78,502,466	₱	-	₱	1,028

The Company's aging of trade receivables as of December 31, 2024 and 2023 are as follows:

Classifications		2024		2023
T+0 - T+1	₱	**120,489**	₱	672,109
T+2 - T+12		**1,117,293**		57,381
T+13 - T+30		**2,379**		-
T+31 - T+365		**167,281**		1,856,627
	₱	**1,407,442**	₱	2,586,117

All past due accounts have sufficient collateral to cover the outstanding sufficient balances.

In 2023, the Company carried out a review on the collectability of trade receivables and decided to recognize a reversal of allowance for expected credit losses amounting to ₱140,165, respectively, as disclosed in Note 21.

Movements in the allowance for expected credit losses are as follows:

		2024		2023
Balance, January 1	₱	**-**	₱	140,165
Reversal of allowance for expected credit losses (Note 21)		**-**		(140,165)
Balance, December 31	₱	**-**	₱	-

In determining the recoverability of trade receivables, the Company considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

9. FINANCIAL ASSETS AT FVTPL

The fair values of these equity securities are determined by reference to published price quotations in PSE.

The Company's financial assets at fair value through profit or loss are as follows:

		2024		2023
Inside PSE Index:				
SM Prime Holdings	₱	**17,102,000**	₱	-
Monde Nissin Corporation		**4,472,000**		12,570,000
Ayala Land, Inc.		**3,930,000**		-
JG Summit Holdings, Inc.		**1,027,500**		953,750
Intl. Container Terminal Serv.		**193,000**		-
PLDT Inc. "Common"		**2,590**		1,921,058
Converge Info & Communications Tech		-		11,714,402
Globe Telecom, Inc.		-		5,185,800
		26,727,090		32,345,010
Outside PSE Index:				
Cemex Holdings Philippines, Inc.		**25,025,020**		-
Cebu Air, Inc.		**8,757,500**		9,750,000
Philex Mining Corp.		**6,975,000**		13,482,000
PXP Energy Corporation		**6,460,370**		1,185,000
First Gen Corporation		**3,868,800**		2,175,000
Empire East Land Hldgs. Inc.		**3,732,000**		3,225,600
Vitarich Corporation		**3,510,000**		-
Oriental Pet-A		**2,905,980**		3,093,600
Ionics, Inc.		**2,432,640**		1,157,460
Philippine Estates Corporation		**1,861,500**		2,299,500
The Philodrill-A		**1,761,000**		1,368,900
Oriental Pet-B		**1,747,500**		1,496,880
Mrc Allied, Inc.		**1,260,000**		1,345,500
Zeus Holdings, Inc.		**1,168,560**		1,152,330
Xurpas Inc.		**1,037,400**		706,700
Pacifica Holdings, Inc.		**769,760**		491,418
Apc Group, Inc.		**473,600**		-
Oriental Peninsula Resources Group		**437,800**		626,850
United Paragon Mining Corporation		**380,800**		544,000
Crown Equities, Inc.		**196,000**		-
Geograce Res. Phils., Inc.-Prev.Gei		**193,600**		40,500
Bright Kindle Res. & Invest.,Inc.		**168,300**		-
Manila Bulletin Publishing Corp.		**30,080**		-
Lodestar Investment Corp.		**28,000**		46,500
Lepanto Consolidated Mining Company		**3,045**		3,636
MacroAsia Corporation		-		5,511,200
Abacore Capital Holdings, Inc.		-		4,618,050
Premium Leisure Corp. (Sino)		-		3,150,000
Alternergy Holdings Corporation		-		2,926,000
Now Corporation (Former Ictv)		-		1,744,550
Union Bank of the Philippines, Inc.		-		1,301,044
Security Bank Corporation		-		1,144,000
Apex Mining		-		264,000
		75,184,255		64,850,218
	₱	**101,911,345**	₱	97,195,228

The listed securities above represent opportunities for return through dividend income and trading gains.

In 2024 and 2023, fair value loss on financial assets at fair value through profit or loss amounted to ₱4,265,467 and ₱5,297,913, respectively, as presented separately on the statements of comprehensive income.

In 2024 and 2023, the Company sold shares that resulted to gain and loss amounting to ₱720,079 and ₱3,595,900, respectively, as disclosed in Note 21.

In 2024 and 2023, dividends received from the financial assets at fair value through profit or loss amounted to ₱1,375,565 and ₱879,116, respectively, as disclosed in Note 21.

10. PREPAYMENTS AND OTHER CURRENT ASSETS

The Company's prepayments and other current assets consist of:

		2024		2023
Prepaid expenses	**₱**	**236,790**	₱	230,389
Excess tax credits		**117,217**		117,217
Input VAT – net		**70,203**		11,490
	₱	**424,210**	₱	359,096

Prepaid expenses include prepaid taxes and licenses, prepaid insurance and prepaid maintenance fee for the stock brokerage system of the Company.

11. PROPERTY AND EQUIPMENT – net

The carrying amounts of the Company's property and equipment are as follows:

		Condominium and Improvements		Transportation Equipment		Furniture and Equipment		Total
January 1, 2023								
Cost	₱	14,753,595	₱	19,626,319	₱	7,860,869	₱	**42,240,783**
Accumulated depreciation		(14,420,262)		(19,099,826)		(7,769,164)		**(41,289,252)**
Carrying amount		**333,333**		**526,493**		**91,705**		**951,531**
Movements during 2023								
Balance, January 1		333,333		526,493		91,705		**951,531**
Additions		-		-		76,000		**76,000**
Depreciation (Note 22)		(99,998)		(290,796)		(108,424)		**(499,218)**
Balance, December 31		**233,335**		**235,697**		**59,281**		**528,313**
December 31, 2023								
Cost		14,753,595		19,626,319		7,936,869		**42,316,783**
Accumulated depreciation		(14,520,260)		(19,390,622)		(7,877,588)		**(41,788,470)**
Carrying amount		**233,335**		**235,697**		**59,281**		**528,313**
Movements during 2024								
Balance, January 1		233,335		235,697		59,281		**528,313**
Additions		-		2,780,000		90,458		**2,870,458**
Depreciation (Note 22)		(99,998)		(310,877)		(88,337)		**(499,212)**
Balance, December 31		**133,337**		**2,704,820**		**61,402**		**2,899,559**
December 31, 2024								
Cost		14,753,595		22,406,319		8,027,327		**45,187,241**
Accumulated depreciation		(14,620,258)		(19,701,499)		(7,965,925)		**(42,287,682)**
Carrying amount	₱	**133,337**	₱	**2,704,820**	₱	**61,402**	₱	**2,899,559**

All additions were paid in cash in both years.

Fully depreciated property and equipment amounting to ₱27,563,188 are still in use by the Company in both years.

In both years, the Company has determined that there is no indication that impairment has occurred to its property and equipment.

12. INTANGIBLE ASSET

12.01 PSE Trading Rights

On August 13, 2009, in compliance with Section 8, Article III of the Amended By Laws of the Exchange, the Company's trading rights (previously the exchange membership seat) is pledged at its full value to the PSE to secure the payment of all debts due to the Exchange and to other participants of the Exchange arising out of or in connection with the present or future contracts relating to securities in compliance with Section 7, Article II of the Rules Governing Trading Rights and Trading Participants, to secure the payment of all debts and claims due to the clients of the Company, the Government, the Exchange and the other participant of the Exchange and to the Securities Clearing Corporation of the Philippines.

There is no impairment in PSE trading rights' value for both years. In both years, the carrying amount of the Company's trading rights amounted to ₱633,600.

13. REFUNDABLE DEPOSITS

The components of refundable deposits are as follows:

		2024		2023
PLDT deposit	₱	**44,452**	₱	44,452
IT services deposit		**6,000**		6,000
Safety box deposit		**2,400**		2,400
	₱	**52,852**	₱	52,852

14. TRADE AND OTHER PAYABLES

The components of trade and other payables account are as follows:

		2024		2023
Trade	₱	**14,798,406**	₱	13,991,497
Accrued expenses		**1,307,133**		1,339,590
Payable to government agencies		**78,596**		82,392
Others		**3,386,813**		4,728,380
	₱	**19,570,948**	₱	20,141,859

Trade pertains to amounts due to customers arising from brokerage services rendered, including value of securities sold on behalf of customer, commission and other charges. These are non-interest bearing, unsecured and have no collateral.

Payable to government agencies includes withholding taxes, SSS, PhilHealth, HDMF and other government payables.

Accrued expenses includes accruals of commission, bonuses and finance cost on loans.

Others include payable to Philippine Central Depository, Securities Clearing Corporation of the Philippines and miscellaneous liabilities.

The Company's trade payable as of December 31, 2024 and 2023 consists of the following:

	2024		2023	
	Credit Balances	**Security Valuation Long**	Credit Balances	Security Valuation Long
Free balance				
With money balance	**₱ 14,798,406**	**₱1,036,909,828**	₱ 13,991,497	₱ 773,716,309
No money balance	**-**	**399,559,335**	-	435,074,959
	₱ 14,798,406	**₱1,436,469,163**	₱ 13,991,497	₱ 1,208,791,268

Payable to customers are non-interest bearing and are normally paid within three (3) trading days after the trading date. Payable to clearing house should also be paid within three (3) trading days after the transaction date. Otherwise, the Company will be considered in default and will be charged with penalties. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

15. LOANS PAYABLE

The account pertains to the outstanding loans payable of the Company entered to finance the working capital requirements. As of December 31, 2024 and 2023, the outstanding balance of the loans payable amounted to ₱35,000,000 and ₱28,000,000, respectively.

15.01 Banco De Oro (BDO)

The analysis of loans from BDO is as follows:

	2024	2023
Balance, January 1	**₱ 28,000,000**	₱ -
Availments	**35,000,000**	28,000,000
Payments made	**(28,000,000)**	-
Balance, December 31	**₱ 35,000,000**	₱ 28,000,000

In 2024 and 2023, the Company availed various loans with BDO with an aggregate amount of ₱35,000,000 and ₱28,000,000, respectively, to finance the Company's working capital requirements, investments and funding requirements for settlement gaps. These loans are payable in seven (7) days having interest payments at 5.357% and 6.7977% per annum in 2024 and 2023, respectively.

Finance cost incurred on loans amounted to ₱145,485 and ₱17,889 in 2024 and 2023, respectively. The finance cost paid amounted to ₱163,374 and nil in 2024 and 2023, respectively.

No ratio or threshold is required to be maintained related to the loans. In both years, the Company is compliant in the terms and conditions of the loan contracts.

16. RELATED PARTY TRANSACTIONS

The Company is related to its directors and officers as members of its key management personnel.

Balance and transactions between the Company and its related party are disclosed below:

16.01 Buying and Selling Transactions

Buying and selling transactions of directors or officers are set out below:

	December 31, 2024		December 31, 2023	
	Amounts/ Volume	**Outstanding Balances**	Amounts/ Volume	Outstanding Balances
Directors/Officers				
Buying	**₱ 315,890,705**	**₱ -**	₱ 273,225,693	₱ -
Selling	**272,375,007**	**-**	223,002,971	-
	₱ 588,265,712	**₱ -**	₱ 496,228,664	₱ -

16.02 Remuneration of Key Management Personnel

The remuneration of the directors and other members of key management personnel of the Company amounted to ₱1,560,000 and ₱1,680,000 in 2024 and 2023, respectively.

17. CAPITAL STOCK

The capital stock of the Company, as of December 31, 2024 and 2023, is as follows:

	Shares	**Amount**
Authorized, issued and outstanding:		
₱100 par value	**1,000,000**	**₱ 100,000,000**

Ordinary shares carry one (1) vote per share and a right to dividend.

18. RESERVES

The following are among the reserve fund requirement provisions under Rule 49.1 (B) of SEC Memorandum Circular No. 16 (2004 series), Part I: Adoption of the Risk-based Capital Adequacy (RBCA) Requirement Ratio Framework for all registered Brokers Dealers in accordance with the SRC:

a. Every dealer broker shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to the Appropriated Retained Earnings account in accordance with the balance of its Unimpaired Paid-up Capital;

b. Consistent with the general usage under SRC Rule 28.1, the term "Unimpaired Paid-up Capital" shall refer to the Company's Total Paid-up Capital less any deficiency in the Retained Earnings account;

c. The amount appropriated shall not be available for the payment of dividends; and

d. Where in any financial year the Broker Dealer's paid-up capital is impaired, the Broker Dealer is required to transfer from Appropriated Retained Earnings to the capital account an amount equivalent to the impairment. Such an amount transferred out should not be available for payment of dividend.

Retained earnings to be appropriated are computed as follows:

Unimpaired Paid-up Capital	Minimum percentage of profit after tax to be placed in the Appropriated Retained Earnings
Between ₱10M – ₱30M	30%
Between ₱30M – ₱50M	20%
More than ₱50M	10%

Results of the Company's financial performance require no additional appropriation for both years.

As of December 31, 2024 and 2023, the appropriated retained earnings amounted to ₱2,831,928. No additional appropriation was made since the Company reported a net loss in both years. The Company is compliant with the above requirements.

19. REVENUE

The commissions earned from stock brokerage services rendered to customers amounted to ₱5,326,910 and ₱4,505,658 in 2024 and 2023, respectively.

The Company charges its clients for the buying and selling of securities at rates ranging from 0.25% to 1.50% based on transaction value, but not below the minimum commission of ₱20 per transaction.

20. COST OF SERVICES

The following is an analysis of the Company's cost of services:

		2024		2023
Short-term employee benefits (Note 23)	₱	**5,403,865**	₱	4,693,253
Commission		**1,849,321**		1,613,121
Stock exchange fees and dues		**870,899**		800,601
Research and development cost		**316,203**		488,400
	₱	**8,440,288**	₱	7,595,375

21. OTHER INCOME (EXPENSE) – net

Components of other income (expense) are as follows:

		2024		2023
Finance income from margin accounts	₱	**2,142,157**	₱	1,446,271
Dividend income (Note 9)		**1,375,565**		879,116
Finance income (Note 7)		**152,637**		727,393
Reversal of allowance for expected credit losses (Note 8)		-		140,165
Gain (loss) on sale of securities (Note 9)		**720,079**		(3,595,900)
	₱	**4,390,438**	₱	(402,955)

Finance income from margin accounts pertains to the interest charged by the Company to margin client's outstanding receivables which was not paid at a given time.

22. OPERATING EXPENSES

The account is composed of the following expenses:

		2024		2023
Representation and entertainment	₱	**752,528**	₱	328,002
Communication, light and water		**731,142**		701,539
Depreciation (Note 11)		**499,212**		499,218
Fuel and oil		**436,183**		503,859
Training and seminars		**433,857**		146,860
Taxes and licenses		**377,681**		217,320
Meetings and conferences		**337,573**		175,537
Repairs and maintenance		**331,202**		151,129
Subscriptions, books and periodicals		**318,683**		319,259
Condominium dues		**257,040**		257,040
Professional fees		**207,264**		126,264
IT expenses		**79,788**		72,085
Fines and penalties		**60,660**		18,230
Insurance		**60,403**		82,224
Office supplies		**10,778**		97,241
Pantry supplies		**9,430**		9,900
Rentals (Note 24)		**1,800**		149,791
Postage		**286**		656
Transportation and travel		**-**		497,426
Miscellaneous		**1,188,550**		754,729
	₱	**6,094,060**	₱	5,108,309

Representation and entertainment pertain to meals and other expenses incurred during client meetings.

Communication, light and water pertain to the monthly bills charged by the service provider for the cost of calls made over telecommunication networks.

Fines and penalties pertain to deficiency taxes on expanded withholding tax, income tax and PSE fines for non-compliance of some SRC rulings.

Miscellaneous pertains to system development cost and year-end expenses.

23. SHORT-TERM EMPLOYEE BENEFITS

Details of the Company's short-term employee benefits, as disclosed in Note 20, are as follows:

		2024		2023
Salaries, wages, and other benefits	₱	**5,151,517**	₱	4,465,303
SSS, PhilHealth, HDMF and other contributions		**252,348**		227,950
	₱	**5,403,865**	₱	4,693,253

24. LEASE AGREEMENTS

The Company has elected not to recognize a lease liability for short-term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

Leases relate to rental of two (2) parking slots for cars and one (1) parking slot for motorcycle located on the Basement 1 of the parking facility of the PSE Centre 'Building' located at Exchange Road, Ortigas Center, Pasig City with lease term of one (1) year renewable upon mutual agreement of the Company and the Lessor. Operating lease payments represent rentals payable by the Company for the parking slots. In 2023, the monthly rental fee for the parking slots for cars is ₱5,500. The Company did not renew their parking lease in 2024.

Rent expense recognized amounted to ₱1,800 and ₱149,791 in 2024 and 2023, respectively, under operating expense, as disclosed in Note 22.

In both years, the Company has no outstanding future minimum lease payments.

25. INCOME TAXES

25.01 Income Tax Recognized in Profit or Loss

Income tax benefit amounting to ₱1,083,424 and ₱6,037,667 in 2024 and 2023, respectively pertains to deferred taxes as disclosed in Note 26.

A numerical reconciliation between tax benefit and the product of accounting loss multiplied by the tax rate in 2024 and 2023 is as follows:

		2024		2023
Accounting loss	₱	**(9,227,952)**	₱	(13,916,783)
Tax benefit at 25%		**(2,306,988)**		(3,479,196)
Tax effects of the following:				
Reversal of deferred tax		**1,324,478**		(2,233,256)
Non-deductible representation expense		**174,815**		70,736
Non-deductible expenses		**69,950**		4,558
Non-deductible finance cost		**36,371**		1,118
Finance income subjected to final tax		**(38,159)**		(181,848)
Dividend income exempt from taxation		**(343,891)**		(219,779)
	₱	**(1,083,424)**	₱	(6,037,667)

Details of NOLCO are as follows:

Year Incurred		**Amount**		**Applied Previous Year**		**Applied Current Year**		**Expired**		**Unapplied**	**Expiry Date**
2022	₱	12,935,998	₱	-	₱	-	₱	-	₱	12,935,998	2025
2023		10,059,897		-		-		-		10,059,897	2026
2024		5,336,142		-		-		-		5,115,000	2027
	₱	**28,332,037**	**₱**	**-**	**₱**	**-**	**₱**	**-**	**₱**	**28,110,895**	

Details of Company's MCIT which can be claimed as tax credits against regular income tax are as follows:

Year Incurred	Amount	Applied Previous Years	Applied Current Year	Expired	Unapplied	Expiry Date
2022	₱ **3,549**	₱ -	₱ -	₱ -	₱ **3,549**	2025

26. DEFERRED TAX ASSETS

The components of the Company's deferred tax assets and their respective movements are as follows:

	Allowance for Expected Credit Losses	NOLCO	Excess MCIT	Unrealized Market Loss of FA at FVTPL	Total
January 1, 2023	₱ 35,041	₱ 3,233,999	₱ 3,549	₱ -	₱ **3,272,589**
Recognized in profit or loss	(35,041)	2,514,974	-	1,324,478	**3,841,411**
December 31, 2023	**-**	**5,748,973**	**3,549**	**1,324,478**	**7,077,000**
Recognized in profit or loss		1,341,535	-	(258,111)	**1,083,424**
December 31, 2024	₱ **-**	₱ **7,090,508**	₱ **3,549**	₱ **1,066,367**	₱ **8,160,424**

In 2023, the Company made a reversal of deferred tax liability arising from unrealized gain on remeasurement of FA at FVTPL amounting to ₱2,233,256. As of December 31, 2024 and 2023, the Company has no deferred tax liability.

27. LOSS PER SHARE

The Company's loss per share is ₱8.09 and ₱7.88 in 2024 and 2023, respectively.

The loss and weighted average number of ordinary shares used in the calculation of basic gain (loss) per share are as follows:

	2024	2023
Gain (loss) used in the calculation of total basic loss per share	**₱ (8,089,743)**	₱ (7,879,116)
Weighted average number of ordinary shares for the purposes of basic loss per share	**1,000,000**	1,000,000

As of December 31, 2024 and 2023, the Parent Company has no potential dilutive common shares.

28. FAIR VALUE MEASUREMENTS

28.01 Fair Value of Financial Assets and Liabilities

The carrying amounts and estimated fair values of the Company's financial assets and financial liabilities as of December 31, 2024 and 2023 are presented below:

	2024		2023	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Financial Assets:				
Cash	**₱ 48,564,178**	**₱ 48,564,178**	₱ 52,422,802	₱ 52,422,802
Trade and other receivables	**9,215,608**	**9,215,608**	15,308,323	15,308,323
Financial assets at FVTPL	**101,911,345**	**101,911,345**	97,195,228	97,195,228
Refundable deposits	**52,852**	**52,852**	52,852	52,852
	₱ 159,743,983	**₱ 159,743,983**	₱ 164,979,205	₱ 164,979,205
Financial Liabilities:				
Trade and other payables	**₱ 19,492,352**	**₱ 19,492,352**	₱ 20,059,467	₱ 20,059,467
Loans payable	**35,000,000**	**35,000,000**	28,000,000	28,000,000
	₱ 54,492,352	**₱ 54,492,352**	₱ 48,059,467	₱ 48,059,467

The fair values of financial assets and financial liabilities are determined as follows:

- Due to short-term maturities, the carrying amounts of cash, trade and other receivables, and trade and other payables (excluding payable to government agencies) approximate their fair values.
- Refundable deposits approximate its fair values despite long-term maturities.
- Loans payable bear market interest rates; hence, Management believes that carrying amounts approximate their fair values.

- Financial assets at fair value through profit or loss are measured at fair values as determined by reference to published price quotations in the PSE at the financial reporting dates.

28.02 Fair Value Measurements Recognized in the Statements of Financial Position

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

The Company used Level 1 to value its financial assets at fair value through profit or loss. Accordingly, fair value of the said investments amounted to ₱101,911,345 and ₱97,195,228 as of December 31, 2024 and 2023, respectively.

There were no transfers between Level 1 and 2 in both years.

28.03 Fair Value Determinations of Assets and Liabilities

The following provides an analysis of assets and liabilities that are measured at fair value on a recurring and non-recurring basis subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which inputs to valuation techniques are observable:

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

28.03.01 Fair Value Hierarchy

Recurring Fair Value Measurements

		Level 1
2024		
Financial assets at fair value through profit or loss	**₱**	**101,911,345**

		Level 1
2023		
Financial assets at fair value through profit or loss	₱	97,195,228

There were no transfers between level 1 and 2 of the fair value hierarchy in the period.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

Management is responsible to monitor and manage the financial risks relating to the operations of the Company and analyzes exposures by degree and magnitude of risks. These risks include market risk which includes interest rate risk and price risk, credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks through compliance with policies and exposure limits imposed by the Securities Regulation Code, Implementing Rules and Regulation and PSE Trading Rules. Compliance with the policies and exposure limits is reviewed by the Associated Person and the Management on a continuous basis.

29.01 Market Risk Management

29.01.01 Interest Rate Risk Management

The Company's exposure to interest rate risk arises from its cash deposits in banks and loans payable which are subject to variable interest rates and fixed interest rates, respectively.

The interest rate risk arising from deposits with banks is managed by means of effective investment planning and analysis and maximizing investment opportunities in various local banks and financial institutions. The risk on loans payable is managed by maintaining fixed rate borrowings only.

The Company's profit and loss for the years ended December 31, 2024 and 2023 would not be affected since the Company has no deposits and borrowings at variable rates.

29.01.02 Other Price Risk Management

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for trading purposes. The Company actively trades these investments.

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period:

	December 31, 2024			December 31, 2023		
	No. of Shares		**Amount**	No. of Shares		Amount
Inside PSE Index:						
SMPH	**680,000**	**₱**	**17,102,000**	-	₱	-
MONDE	**520,000**		**4,472,000**	1,500,000		12,570,000
ALI	**150,000**		**3,930,000**	-		-
JGS	**50,000**		**193,000**	25,000		953,750
ICT	**500**		**193,000**	-		-
TEL	**2**		**2,590**	1,502		1,921,058
CNVRG	**-**		**-**	1,397,900		11,714,402
GL	**-**		**-**	3,015		5,185,800
			25,892,590			32,345,010

	December 31, 2024		December 31, 2023	
	No. of Shares	**Amount**	No. of Shares	Amount
Outside PSE Index:				
CHP	**14,059,000**	**25,025,020**	-	-
CEB	**310,000**	**8,757,500**	300,000	9,750,000
PX	**2,500,000**	**6,975,000**	4,200,000	13,482,000
PXP	**2,251,000**	**6,460,370**	300,000	1,185,000
FGEN	**240,000**	**3,868,800**	125,000	2,175,000
ELI	**31,100,000**	**3,732,000**	25,600,000	3,225,600
VITA	**6,500,000**	**3,510,000**	-	-
OPM	**392,700,000**	**2,905,980**	386,700,000	3,093,600
ION	**2,896,000**	**2,432,640**	1,146,000	1,157,460
PHES	**7,300,000**	**1,861,500**	7,300,000	2,299,500
OPMB	**234,800,000**	**1,761,000**	184,800,000	1,496,880
OV	**233,000,000**	**1,747,500**	169,000,000	1,368,900
MRC	**1,500,000**	**1,260,000**	1,035,000	1,345,500
ZHI	**16,230,000**	**1,168,560**	16,230,000	1,152,330
X	**5,700,000**	**1,037,400**	3,700,000	706,700
PA	**481,100**	**769,760**	356,100	491,418
APC	**2,560,000**	**473,600**	-	-
ORE	**995,000**	**437,800**	995,000	626,850
UPM	**136,000,000**	**380,800**	136,000,000	544,000
CEI	**3,500,000**	**196,000**	-	-
GEO	**2,200,000**	**193,600**	1,500,000	40,500
BKR	**170,000**	**168,300**	-	-
MB	**160,000**	**30,080**	-	-
LODE	**100,000**	**28,000**	100,000	46,500
LC	**45,454**	**3,045**	45,454	3,636
MAC	**-**	**-**	1,328,000	5,511,200
ABA	**-**	**-**	5,433,000	4,618,050
PLC	**-**	**-**	5,000,000	3,150,000
ALTER	**-**	**-**	3,800,000	2,926,000
NOW	**-**	**-**	1,517,000	1,744,550
UBP	**-**	**-**	25,840	1,301,044
SEC	**-**	**-**	16,000	1,144,000
APX	**-**	**-**	88,000	264,000
		75,184,255		64,850,218
		₱ 101,911,345		₱ 97,195,228

2024		Net Effect to Profit	
	Change in Assumption	Increase in Assumption	Decrease in Assumption
Inside PSE Index:			
SMPH	**6.33%**	**1,081,822**	**(1,081,822)**
MONDE	**7.82%**	**349,665**	**(349,665)**
ALI	**8.22%**	**323,021**	**(323,021)**
JGS	**9.92%**	**101,905**	**(101,905)**
ICT	**5.68%**	**10,960**	**(10,960)**
TEL	**3.43%**	**89**	**(89)**
Outside PSE Index:			
CHP	**6.16%**	**1,540,906**	**(1,540,906)**
CEB	**5.36%**	**468,995**	**(468,995)**
PX	**10.72%**	**747,612**	**(747,612)**
PXP	**28.75%**	**1,857,443**	**(1,857,443)**
FGEN	**7.82%**	**302,607**	**(302,607)**
ELI	**14.92%**	**570,563**	**(570,563)**
VITA	**12.17%**	**427,104**	**(427,104)**
OPM	**6.95%**	**202,014**	**(202,014)**
ION	**46.64%**	**1,134,515**	**(1,134,515)**
PHES	**10.32%**	**192,103**	**(192,103)**
OPMB	**24.60%**	**427,515**	**(427,515)**
OV	**6.43%**	**112,424**	**(112,424)**
MRC	**16.00%**	**201,631**	**(201,631)**
ZHI	**7.84%**	**81,404**	**(81,404)**
X	**6.12%**	**63,448**	**(63,448)**
PA	**4.83%**	**37,182**	**(37,182)**
APC	**6.01%**	**28,452**	**(28,452)**
ORE	**15.75%**	**73,678**	**(73,678)**
UPM	**14.88%**	**68,790**	**(68,790)**
CEI	**7.91%**	**15,510**	**(15,510)**
GEO	**4.23%**	**9,769**	**(9,769)**
BKR	**6.87%**	**11,562**	**(11,562)**
MB	**8.20%**	**2,743**	**(2,743)**
LODE	**3.58%**	**967**	**(967)**
LC	**21.23%**	**646**	**(646)**

2023	Net Effect to Profit		
	Change in Assumption	Increase in Assumption	Decrease in Assumption
Inside PSE Index:			
MONDE	9.73%	1,222,723	(1,222,723)
CNVRG	10.46%	1,224,938	(1,224,938)
GL	4.73%	245,435	(245,435)
TEL	5.39%	103,536	(103,536)
JGS	5.47%	52,164	(52,164)
Outside PSE Index:			
PX	6.37%	858,158	(858,158)
CEB	4.68%	456,567	(456,567)
MAC	4.18%	230,289	(230,289)
ABA	9.50%	438,870	(438,870)
ELI	8.18%	263,822	(263,822)
PLC	5.82%	183,375	(183,375)
OPM	5.02%	155,368	(155,368)
ALTER	12.10%	354,041	(354,041)
PHES	6.75%	155,123	(155,123)
FGEN	6.38%	138,821	(138,821)
NOW	9.64%	168,220	(168,220)
OPMB	4.09%	61,182	(61,182)
OV	4.81%	65,895	(65,895)
MRC	66.00%	888,069	(888,069)
UBP	6.44%	83,753	(83,753)
PXP	11.92%	141,247	(141,247)
ION	14.75%	170,715	(170,715)
ZHI	6.89%	79,447	(79,447)
SEC	5.22%	59,665	(59,665)
X	6.31%	44,577	(44,577)
ORE	6.60%	41,389	(41,389)
UPM	4.59%	24,980	(24,980)
PA	9.09%	44,666	(44,666)
APX	12.97%	34,247	(34,247)
LODE	5.89%	2,740	(2,740)
GEO	13.41%	5,432	(5,432)
LC	4.92%	179	(179)

29.02 Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risks from cash in banks, reserve bank account, trade and other receivables, and refundable deposits all at amortized cost.

The Company considers the following policies to manage its credit risk:

- Banks

  The Company transacts only to banks with investment grade credit rating. This information is supplied by independent rating agencies. The Company uses other publicly available information such as annual reports to monitor the financial status of the banks. The Company assesses the current and forecast information of the banking industry and the macro-economic factors such as GDP, interest, and inflation rates to determine the possible impact to banks.

- Trade and other receivables

  The Company only transacts with individuals that are referred by agents and existing customers who underwent background investigation. The Company assesses the creditworthiness of each recurring client before engaging to new trade transactions. The acceptance or continuance of principal-agent contract needs approval from the Management. The Company assesses the current and forecast information of the clients' industry and the macro-economic factors such as GDP, interest, and inflation to determine the possible impact to clients.

Financial assets measured at amortized cost are as follows:

		2024		2023
Cash in banks and reserve bank account	₱	**48,549,178**	₱	52,407,802
Trade and other receivables		**9,215,608**		15,308,323
Refundable deposits		**52,852**		52,852
	₱	**57,817,638**	₱	67,768,977

The calculation of allowance for expected credit losses are based on the following three (3) components:

- Probability of Default (PD)

  PD is the likelihood over a specified period, usually one year that a client will not be able to make scheduled repayments. PD depends not only on the client's characteristics, but, also on the economic environment. PD may be estimated using historical data and statistical techniques.

- Loss Given Default (LGD)

  LGD is the amount of money a company loses when a client defaults on a contract. The most frequently used method to calculate this loss is by comparing the actual total losses and the total amount of potential exposure sustained at the time that a contract goes into default.

➢ Exposure at Default (EAD)

EAD is the total value a company is exposed to when a loan default. It refers to the gross carrying amount of financial asset.

Below is the summary of computation of allowance for expected credit losses in 2024 and 2023:

	December 31, 2024					
	PD rate	**LGD rate**		**EAD**		**ECL**
2024	**a**	**b**		**c**		**d=a*b*c**
Cash in banks and reserve bank account	**0.00%**	**0.00% to 99.07%**	**₱**	**48,549,178**	**₱**	**-**
Trade and other receivables	**0.00%**	**0.00%**		**9,215,608**		**-**
Refundable deposits	**0.00%**	**100.00%**		**52,852**		**-**
			₱	**57,817,638**	**₱**	**-**
	December 31, 2023					
	PD rate	LGD rate		EAD		ECL
2023	a	b		c		d=a*b*c
Cash in banks and reserve bank account	0.00%	0.00% to 98.92%	₱	52,407,802	₱	-
Trade and other receivables	0.00%	0.00%		15,308,323		-
Refundable deposits	0.00%	100.00%		52,852		-
			P	67,768,977	₱	-

Cash in Banks and Reserve Bank Account

The Company determined the probability of default rate by considering the following: the credit ratings; the past, current, and forecast performance of Banking Industry; the past, current, and forecast macro-economic factors that may affect the banks; and the current and projected financial information. The Company estimated the probability of default to be nil in both years.

Loss given default rate is calculated by taking into consideration the amount of insured deposit and estimated it to be 0.00% to 99.07% and 0.00% to 98.92% in 2024 and 2023, respectively.

Exposure at default is equal to the gross carrying amount of cash in banks in both years.

Trade and Other Receivables

The Company determined the probability of default rate by considering the following: the schedules of trade and other receivables for the past five years; the nature of business and industry classification of the Company's clients; the past, current, and forecast performance of each client's industry; and the past, current, and forecast macro-economic factors that may affect the Company's clients. While the receivable from clearing house poses minimal risk for expected credit loss. Balances from this account usually clears within two (2) trading days from the day executed for trade.

The Company estimated the probability of default to be nil in 2024 and 2023, respectively.

Loss given default rate is nil for all clients depending on the market value of the collateral the Company holds against the receivable in both years.

Exposure at default is equal to the gross carrying amount of trade and other receivables and due from a related party.

Refundable Deposits

These financial assets represent immaterial portion of total financial assets at a rate of 0.09% and 0.08% as of December 31, 2024 and 2023, respectively. Hence, Management believes that the effect of provision for expected credit loss is immaterial to the financial statements as a whole.

29.03 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	Weighted Average Effective Interest Rate		Within One (1) Year		Total
December 31, 2024					
Trade and other payables	**-**	**₱**	**19,492,351**	**₱**	**19,492,351**
Loans payable	5.357%		**35,000,000**		**35,000,000**
			54,492,351		**54,492,351**
December 31, 2023					
Trade and other payables	-	₱	16,690,263	₱	16,690,263
Loans payable	6.7977%		28,000,000		28,000,000
			44,690,263		44,690,263

Trade and other payables are net of payable to government agencies.

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets.

	Weighted Average Effective Interest Rate	On Demand	Within One (1) Year	One (1) to Five (5) Years	Total
December 31, 2024					
Cash on hand	**-**	**₱ 15,000**	**₱ -**	**₱ -**	**₱ 15,000**
Cash in banks	**floating rates**	**27,993,614**	**-**	**-**	**27,993,614**
Reserve bank account	**0.65%**	**20,555,564**	**-**	**-**	**20,555,564**
Trade and other receivables	**-**	**-**	**9,215,608**	**-**	**9,215,608**
Financial assets at fair value through profit or loss	**-**	**-**	**101,911,345**	**-**	**101,911,345**
Refundable deposits	**-**	**-**	**-**	**52,852**	**52,852**
		₱ 48,564,178	**₱ 111,126,953**	**₱ 52,852**	**₱ 159,743,983**

	Weighted Average Effective Interest Rate	On Demand	Within One (1) Year	One (1) to Five (5) Years	Total
December 31, 2023					
Cash on hand	-	₱ 15,000	₱ -	₱ -	₱ 15,000
Cash in banks	floating rates	21,196,207	-	-	21,196,207
Reserve bank account	0.65%	31,211,595	-	-	31,211,595
Trade and other receivables	-	-	15,308,323	-	15,308,323
Financial assets at fair value through profit or loss	-	-	97,195,228	-	97,195,228
Refundable deposits	-	-	-	52,852	52,852
		₱ 52,422,802	₱ 112,503,551	₱ 52,852	₱ 164,979,205

The amounts included above for variable interest rate financial assets is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of each reporting period.

30. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

Management manages the Company's capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged from previous years.

Pursuant to Section 42 of the Revised Corporation Code of the Philippines, Stock corporations are prohibited from retaining surplus profits in excess of one hundred (100%) percent of their paid-in capital stock, except: (1) when justified by definite corporate expansion projects or programs approved by the board of directors; or (2) when the corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its/his consent, and such consent has not yet been secured; or (3) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation, such as when there is need for special reserve for probable contingencies. The Company is in compliance with this requirement.

The Board of Directors has overall responsibility for monitoring capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying the Company's business, operation and industry.

The Company, in maintaining or adjusting the capital structure, may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. This is to ensure that the financial resources of the Company are adequate and available to absorb unforeseen or unanticipated losses.

The Company monitors capital on the basis of the following:

1. Proportion of debt to equity.

		2024		2023
Debt	₱	**54,570,948**	₱	48,141,859
Equity		**117,345,613**		125,435,355
Debt to equity ratio		**0.47:1**		0.38:1

Debt is defined as total liabilities while equity includes all capital and reserves of the Company that are managed as capital.

2. Rules and regulations of the SRC with respect to the minimum:
   a. Unimpaired paid-up capital;
   b. Net liquid capital; and
   c. RBCA ratio.

The following governs the regulatory capital requirements of the Company under the Amended Implementing Rules and Regulations of the SRC issued by the SEC and SEC Memorandum Circular No. 16 series of 2004:

30.01 Paid-up Capital Requirement

Every Broker Dealer shall maintain the minimum unimpaired paid-up capital as governed by the existing requirements of SRC 28.1. For this purpose, the term "paid up capital" shall include the following:

a. Capital contributions of partners or par value or stated value of common stock;
b. Payment made on subscribed common stock;
c. Par or stated value of preferred stock;
d. Payment made on subscribed preferred stock;
e. Common stock to be distributed (arising from a stock dividend declaration);

f. Additional paid in capital for both common and preferred stocks; and

g. Donated capital.

Under present regulations, the minimum paid-up capital for existing broker dealer participating in a registered clearing agency is ₱30,000,000, provided it is not (a) a first-time registrant and (b) is not acquiring the business of existing broker-dealer firms. The Company's paid-up capital amounted to ₱100,000,000 in both years.

30.02 Net Liquid Capital Requirement

Every broker dealer shall, at all times, have and maintain net liquid capital (NLC) of at least ₱5,000,000 or 5% of the aggregate indebtedness (AI), whichever is higher. However, a broker dealer who deals only with proprietary shares and does not keep the shares under its custody shall maintain an NLC of ₱2,500,000 or 2.5% of the AI, whichever is higher.

NLC is the sum of paid-up capital and equities eligible for NLC less non-allowable assets/equities, and collateralized liabilities as specified in the applicable regulations, provided further, that the following items shall be excluded from eligible equity for NLC:

a. Deferred income tax;

b. Revaluation reserves; and

c. Minority interest and any outside investment in affiliates and associates.

The Company's AI is ₱54,500,745 and ₱48,141,859 as of December 31, 2024 and 2023, respectively.

The Company's NLC is ₱115,829,693 and ₱123,491,128 as of December 31, 2024 and 2023, respectively. Hence, the Company is in compliance with the NLC requirement.

30.03 RBCA Ratio Requirement

Every Broker Dealer shall ensure that its Risk Based Capital Adequacy (RBCA) ratio is greater than or equal to 1.1, its aggregate indebtedness should not be in excess of 2000% of its NLC at all times, and its core equity is at all times greater than its operational risk requirement (ORR). Core equity is the sum of paid up capital and surplus reserves.

RBCA ratio is the ratio of NLC to the Broker Dealer's total risk exposure (Total Risk Capital Requirement), calculated as the Brokers Dealers NLC divided by its Total Risk Capital Requirement (TRCR), which is the sum of:

a. Operational risk requirement;

b. Credit risk requirement which includes requirements for counterparty risk, settlement risk, large exposure risk, and margin lending/financing risk; and

c. Position or market risk requirement.

The Company's RBCA ratio is 228% and 295% as of December 31, 2024 and 2023, respectively. The Company's RBCA ratio is beyond the required limit. The Company is compliant with the RBCA requirements.

The Company's ratio of AI to NLC is 47% and 39% in 2024 and 2023, respectively. The Company is in compliance with the required ratio of AI to NLC.

The Company's core equity is ₱125,435,355 and ₱133,314,471 as of December 31, 2024 and 2023 respectively. As of December 31, 2024 and 2023, the Company's ORR amounted to ₱3,508,094 and ₱4,112,109, respectively. Hence, the Company is in compliance with the core equity requirement.

31. RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

Reconciliation of liabilities arising from financing activities is as follows:

		2024		2023
Balance, January 1	₱	**28,017,889**	₱	-
Availments of loan		**35,000,000**		28,000,000
Finance cost incurred		**145,485**		17,889
Finance cost paid		**(163,374)**		-
Payments of loans		**(28,000,000)**		-
Balance, December 31	₱	**35,000,000**	₱	28,017,889

32. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorized for issuance by the Board of Directors on April 15, 2025.

33. SUPPLEMENTARY INFORMATION UNDER REVENUE REGULATIONS NO. 15–2010

The Bureau of Internal Revenue (BIR) released a revenue regulation dated November 25, 2010 amending Revenue Regulations No. 21-2002 setting forth additional disclosures on Notes to Financial Statements. Below are the disclosures required by the said Regulation:

33.01 Revenue Regulations No. 15-2010

33.01.01 Taxes and Licenses Paid or Accrued

The details of the Company's taxes and licenses fees paid or accrued in 2024 are as follows:

33.01.01.01 Output VAT

The Company's total output VAT declared during the year amounted to ₱1,545,461.88 based on the amount reflected in the revenue and other income.

The Company has no zero-rated and exempt sales for the year.

33.01.01.02 Input VAT

An analysis of the Company's input VAT claimed during the taxable year is as follows:

Balance, January 1	₱	11,490
Current year's domestic purchases/payments for:		
Domestic purchases of goods other than capital goods		213,398
Domestic purchase of services		308,955
Total available input VAT		**533,843**
Applied against output VAT		463,640
Balance, December 31	**₱**	**70,203**

33.01.01.03 Taxes and Licenses

An analysis on the Company's taxes and licenses and permit fees paid or accrued during the taxable year is as follows:

Registration fees	₱	139,195
Permit fees		48,414
Documentary stamp taxes		31,877
LTO registration		1,828
Others		156,367
	₱	**377,681**

33.01.01.04 Withholding Taxes

An analysis on the Company's withholding taxes paid or accrued during the taxable year is as follows:

Withholding tax on compensation and benefits	₱	256,708
Expanded withholding taxes		148,027
	₱	**404,735**

Expanded withholding taxes include amounts withheld on payments of professional fees, agents' commission, office supplies and rental.

33.02 Revenue Regulations No. 19-2011

Pursuant to Section 244 in relation to Section 6(H) of the National Internal Revenue Code of 1997 (Tax Code), as amended, these Regulations are prescribed to revise BIR Form 1702 setting forth the following schedules. Below are the disclosures required by the said Regulation:

33.02.01 Revenues

The Company's revenue for the taxable year pertains to commission amounting to ₱5,326,910.

33.02.02 Direct Costs

The following is an analysis of the Company's direct costs, net of accruals, for the taxable year:

Salaries, wages and other benefits	₱	5,403,866
Commission		1,849,320
Stock exchange fees and dues		870,899
Research and development cost		316,203
	₱	**8,440,288**

33.02.03 Taxable Other Income

The following is an analysis of the Company 's taxable other income net of accruals for the taxable year:

Finance income from margin account	₱	2,142,157
Gain on sale of securities		720,079
	₱	**2,862,236**

33.02.04 Itemized Deductions

The following is an analysis of the Company 's itemized deductions net of accruals for the taxable year:

Communication, light and water	₱	731,142
Depreciation		499,212
Fuel and oil		436,183
Training and seminars		433,857
Taxes and licenses		377,681
Meetings and conferences		337,573
Repairs and maintenance		331,202
Subscriptions, books and periodicals		318,683
Condominium dues		257,040
Professional fees		207,264
IT expenses		79,788
Insurance		60,403
Representation and entertainment		53,269
Office supplies		10,778
Pantry supplies		9,430
Rentals		1,800
Postage		286
Miscellaneous		969,409
	₱	**5,115,000**

33.03 Revenue Regulations No. 34-2020

Revenue Regulations (RR) No. 34-2020 prescribes the guidelines and procedures for the submission of BIR Form No. 1709, transfer pricing documentation and other supporting documents, amending for this purpose pertinent provisions of RR Nos. 19-2020 and 21-2002, as amended by RR No. 15-2010.

The Company is covered by the requirements and procedures for related transactions provided in RR No. 34-2020.

PKF
R.S. Bernaldo & Associates

R.S. Bernaldo & Associates
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Tower 1, 156 H.V. dela Costa St.,
Ayala North, Makati City,
Philippines 1226

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SUPPLEMENTAL INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Stockholders
GOLDSTAR SECURITIES, INC.
E-2201B East Tower, PSE Centre
Exchange road, Ortigas Center, Pasig City

We have audited the financial statements of **GOLDSTAR SECURITIES, INC.** for the years ended December 31, 2024 and 2023 on which we have rendered the attached report dated April 15, 2025.

In compliance with Revenue Regulation V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholders of the Company.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the above Company has a total number of five (5) stockholders owning one hundred (100) or more shares each.

R.S. BERNALDO & ASSOCIATES
BOA/PRC No. 0300
Valid until November 19, 2026
SEC Group A Accreditation No. 0300-SEC
Valid until 2024 audit period
BSP Group B Accreditation No. 0300-BSP
Valid until 2026 audit period
BIR Accreditation No. 08-007679-000-2023
Valid from January 31, 2023 until January 30, 2026
IC Group A Accreditation No. 0300-IC
Valid until 2026 audit period

RSBernaldo
ROSE ANGELI S. BERNALDO
Partner
CPA Certificate No. 114127
BOA/PRC No. 0300/P-006
Valid until November 19, 2026
SEC Group A Accreditation No. 114127-SEC
Valid until 2027 audit period
BSP Group B Accreditation No. 114127-BSP
Valid until 2025 audit period
BIR Accreditation No. 08-007679-001-2023
Valid from October 20, 2023 until October 19, 2026
Tax Identification No. 211-870-290
PTR No. 10481163
Issued on January 15, 2025 at Makati City

April 15, 2025

SEC Form 52-AR

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

ANNUAL AUDITED FINANCIAL REPORT

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

Report for the period beginning January 1, 2024 and ended December 31, 2024.

IDENFICATION OF BROKER OR DEALER			
Name of Broker/Dealer:	GOLDSTAR SECURITIES, INC.		
Address of Principal Place of Business	Unit 2201-B PSE Centre, East Tower, Exchange Road, Ortigas Center, Pasig City		
Name and Phone Number of Person to Contact in Regard to this Report			
Name:	Christopher Abad	Tel. No.	8633 7485

IDENTIFICATION OF ACCOUNTANT			
Name of Independent Certified Public Accountant whose opinion is contained in this report:			
Name:	Rose Angeli S. Bernaldo	Tel. No.	8812-1718 to 24 (loc 102)
		Fax No.	N/A
Address:	18/F Cityland Condominium 10 Tower 1, 156 H.V. Dela Costa Street, Ayala North Makati City		
Certificate Number	114127		
PTR Number	10481163	Date Issued	January 15, 2025

GOLDSTAR SECURITIES, INC.
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
For the Years Ended December 31, 2024 and 2023

	2024	2023
A. SHORT-TERM LIQUIDITY RATIO		
CURRENT RATIO	**2.93**	3.43
Current Assets	**160,115,340**	165,285,449
Current Liabilities	**54,570,948**	48,141,859
WORKING CAPITAL TO ASSETS	**0.61**	0.67
(Current Assets - Current Liabilities)	**105,544,392**	117,143,590
Total Assets	**171,861,776**	173,577,214
B. LONG-TERM SOLVENCY		
ASSET TO EQUITY	**1.47**	1.38
Total Assets	**171,861,776**	173,577,214
Shareholders' Equity	**117,290,828**	125,435,355
DEBT TO EQUITY	**0.47**	0.38
Total Liabilities	**54,570,948**	48,141,859
Shareholders' Equity	**117,290,828**	125,435,355
LONG-TERM DEBT TO EQUITY	**-**	-
Long-Term Debt	**-**	-
Shareholders' Equity	**117,290,828**	125,435,355
FIXED ASSETS TO EQUITY	**0.03**	0.01
(Fixed Assets - Accumulated Depreciation)	**3,533,159**	1,161,913
Shareholders' Equity	**117,290,828**	125,435,355

GOLDSTAR SECURITIES, INC.
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
For the Years Ended December 31, 2024 and 2023

CREDITORS EQUITY TO TOTAL ASSETS	**0.32**	0.28
Total Liabilities	**54,570,948**	48,141,859
Total Assets	**171,861,776**	173,577,214
FIXED ASSETS TO LONG-TERM DEBT	**-**	-
(Fixed Assets - Accumulated Depreciation)	**3,533,159**	1,161,913
Long-Term Debt	**-**	-
C. RETURN ON INVESTMENTS		
RATE OF RETURN ON TOTAL ASSETS	**(0.05)**	(0.05)
Net Loss	**(8,144,527)**	(7,879,116)
Average Total Assets	**172,719,495**	161,878,693
RATE OF RETURN ON EQUITY	**(0.07)**	(0.06)
Net Loss	**(8,144,527)**	(7,879,116)
Average Stockholders' Equity	**121,363,092**	129,374,913
D. PROFITABILITY RATIOS		
GROSS PROFIT RATIO	**(0.58)**	(0.69)
Gross Loss	**(3,113,378)**	(3,089,717)
Commision Income	**5,326,910**	4,505,658
OPERATING INCOME TO COMMISSION INCOME	**(1.73)**	(3.09)
Loss from Operations	**(9,227,952)**	(13,916,783)
Commission Income	**5,326,910**	4,505,658

GOLDSTAR SECURITIES, INC.
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
For the Years Ended December 31, 2024 and 2023

PRETAX INCOME TO COMMISSION INCOME	**(1.73)**	(3.09)
Pretax Loss	**(9,227,952)**	(13,916,783)
Commission Income	**5,326,910**	4,505,658
NET INCOME TO COMMISSION INCOME	**(1.53)**	(1.75)
Net Loss	**(8,144,527)**	(7,879,116)
Commission Income	**5,326,910**	4,505,658
E. INTEREST COVERAGE RATIO		
INTEREST COVERAGE RATIO	**(62.43)**	(776.95)
Net Loss Before Interest and Tax	**(9,082,467)**	(13,898,894)
Interest Expense	**145,485**	17,889

GOLDSTAR SECURITIES, INC.

COMPUTATION OF RISK-BASED CAPITAL ADEQUACY (RBCA) RATIO UNDER SRC RULE 49.1
For the Year Ended December 31, 2024
(In Philippine Peso)

Total assets	171,861,776
Less: Total liabilities	54,570,948
Equity as per books	117,290,828
Adjustments	
Add (Deduct):	
Subordinated liability	-
Deferred income tax	-
Equity eligible for net liquid capital	117,290,828
Less: Ineligible assets	
Trading right and intangible asset	633,600
Intercompany receivables	-
Property and equipment, net	528,313
All other current assets	424,210
Negative exposure (SCCP)	-
Other assets including equity investments in PSE	-
Total ineligible assets	1,586,123
Net liquid capital (NLC)	115,704,705
Less: Operational risk requirement	3,508,094
Position risk requirement	39,884,262
Counter party risk requirement	-
Large exposure risk requirement to single issuer and group of companies	7,482,951
Total risk capital requirement	50,875,306
Net RBCA margin (NLC - TRCR)	64,829,399
Liabilities	54,570,948
Less: Exclusions from aggregate indebtedness	
Subordinated liability	-
Others	-
Aggregate indebtedness (AI)	54,570,948
5% of Aggregate indebtedness	2,728,547
Required NLC (5% of AI or ₱5 million whichever is higher)	5,000,000
Net risk-based capital excess	110,704,705
Ratio of AI to NLC	47%
RBCA Ratio (NLC/TRCR)	227%

Schedule II

GOLDSTAR SECURITIES, INC.

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
PURSUANT TO SRC RULE 49.2 (UNDER ANNEX 49.2 - B)
December 31, 2024
(In Philippine Peso)

	Credits	Debits
Free credit balances and other balances in customer securities accounts:		
Unadjusted trial balance amount	14,798,406	
Credit balance in the accounts of non-customers	(6,819,082)	
Any other customer credit balance not accounted for elsewhere (explain nature)		
Clients Dividend Account	6,709,790	
Debit balances in customers cash accounts:		
Unadjusted trial balance amount		1,407,442
Due from clearing house		7,808,165
Due from other brokers		
Dividends payable		
Unsecured accounts		(270,940)
Debit balance in accounts of general partners and principal officers		(5,363,704)
Reduction by 1%		(35,810)
Total	14,689,114	3,545,154
Net credit balance	11,143,961	
Required reserve (100% of net credit if making a weekly computation or 105% if making a monthly computation)		11,701,159
Special reserve account balance prior to computation		20,555,564
Deposit required		11,701,159
Additional Deposit Required		-

Schedule III

GOLDSTAR SECURITIES, INC.

INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS
PURSUANT TO SRC RULE 49.2 (UNDER ANNEX 49.2 - A)
December 31, 2024

1. Customers fully paid securities and excess margin securities not in the broker's or dealer's possession or control as of the December 31, 2024, for which instructions to reduce to possession or control had been issued as of the report date but for which the required action was not taken by respondent within the time frame specified under SRC Rule 49.2 (Annex 49.2 - A):

Market Valuation	₱ NIL
Number of Items	NIL

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

Market Valuation	₱ NIL
Number of Items	NIL

Schedule IV

GOLDSTAR SECURITIES, INC.

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
December 31, 2024
(In Philippine Peso)

The Company has no liabilities subordinated to claims of general creditors in both years.

GOLDSTAR SECURITIES, INC.

A REPORT DESCRIBING ANY MATERIAL INADEQUACIES FOUND TO EXIST OR FOUND TO HAVE EXISTED SINCE THE DATE OF THE PREVIOUS AUDIT

December 31, 2024

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

GOLDSTAR SECURITIES, INC.

RESULTS OF MONTHLY SECURITIES COUNT CONDUCTED PURSUANT TO SRC RULE 52.1-10, AS AMENDED

December 31, 2024

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