



SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
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Company Information

SEC Registration No.: 0000069090

Company Name: IB GIMENEZ SECURITIES INC.

Industry Classification: J66930

Company Type: Stock Corporation

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COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

6 9 0 9 0

COMPANY NAME

I . B . G I M E N E Z S E C U R I T I E S , I N C .

1 9 1 9 B E . A M A N G R O D R I G U E Z ,

P A S I G C I T Y

Form Type

A A F S

Department requiring the report

Secondary License Type, If Applicable

COMPANY INFORMATION

Company's Email Address

ibgimenezsec@gmail.com.

Company's Telephone Number/s

8628-0000 local 151

Mobile Number

No. of Stockholders

10

Annual Meeting
Month/Day

Last Saturday of July

Fiscal Year
Month/Day

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

CONTACT PERSON'S ADDRESS

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 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 record 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.

I.B. GIMENEZ SECURITIES, INC.

**FINANCIAL STATEMENTS
DECEMBER 31, 2024**

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

ANNUAL AUDITED FINANCIAL STATEMENT

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

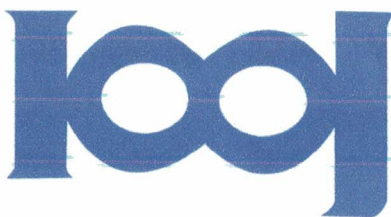
Report of the Period Beginning January 1, 2024 to December 31, 2024

IDENTIFICATION OF BROKER OR DEALER

Name of Broker/Dealer:	I.B. GIMENEZ SECURITIES, INC.		
Address of Principal Place of Business:	1919B E. Amang Rodriguez St., Pasig City		
Name and Phone Number of persons to Contact in Regards to this Report:			
Name:	JOHN F. CATINDIG	Tel. No.	8628-0000
		Fax. No.	642-72-99

IDENTIFICATION OF ACCOUNTANT

Name of Independent Certified Public Accountants whose opinion is contained in this report:		
Name:	TEODORO SANTAMARIA AND CO.	Tel. No. 8553-4845 Fax No. 8812-4202
Address:	Suite 2108 Cityland 10 Tower 1, 156 H.V. Dela Costa Street, Salcedo Village Makati City	
CPA Certificate Number:	7468	Valid until June 5, 2026
BOA/ PRC Registration No.	5593	Valid until September 26, 2027
PTR Number:	10487187 Makati City	Date Issued: January 17, 2025



I.B. GIMENEZ SECURITIES, INC.

Capital Preservation • Wealth Creation • Integrity • Service • Expertise

**STATEMENT OF MANAGEMENT RESPONSIBILITY
FOR THE FINANCIAL STATEMENTS**

SECURITIES AND EXCHANGE COMMISSION

Philippine International Convention Center
Pasay City

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

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

The Board of Directors 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.

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

Ignacio Salvador R. Gimenez III
Chairman of the Board and President

Fe Irene R. Gimenez
Chief Financial Officer

Signed this 30th day of APRIL 2025.



TEODORO SANTAMARIA AND Co.
CERTIFIED PUBLIC ACCOUNTANTS

Suite 2108 Cityland 10 Tower 1
156 H.V. Dela Costa St.
Salcedo Village 1226
Makati City, Philippines | Tel : (632) 8812 - 4202
(632) 8553 - 4845
Email: tscocpas@gmail.com

Trust Service Commitment

Supplemental Written Statement Accompanying
Report of Independent Auditors

The Board of Directors and Stockholders

I.B. Gimenez Securities, Inc.

1919B E. Amang Rodriguez,
Pasig City

We have audited the financial statements of **I.B. Gimenez Securities, Inc.** for the year ended December 31, 2024, on which we have rendered the attached report dated April 30, 2025.

In compliance with Revised SRC Rule 68 we are stating that the above Company has a total number of ten (10) stockholders, of which six (6) of the stockholders own one hundred (100) or more shares each.

TEODORO SANTAMARIA AND CO.


By: Arsenio M. Dimagiba Jr.

Partner

CPA License No. 007468

Valid until June 5, 2026

BOA/PRC Registration No. 5593 (Firm)

Valid until September 26, 2027

BOA/PRC Registration No. 5593/P-002 (Individual)

Valid until September 26, 2027

SEC Accreditation No. 5593-SEC (Firm)

Valid until 2025 Financial Statements of SEC

Covered institutions

SEC Accreditation No. 07468-SEC (Individual)

Valid until 2025 Financial Statements of SEC

Covered institutions

BIR A.N. 08-008055-000-2025 (Firm)

Valid until March 11, 2028

BIR A.N. 08-008055-002-2023 (Individual)

Valid until April 12, 2026

T.I.N. 106-713-002

P.T.R. No. 10487187 / Makati City

January 17, 2025

April 30, 2025

Makati City, Philippines



TEODORO SANTAMARIA AND Co.
CERTIFIED PUBLIC ACCOUNTANTS

Suite 2108 Cityland 10 Tower 1
156 H.V. Dela Costa St.
Salcedo Village 1226
Makati City, Philippines
Tel : (632) 8812 - 4202
(632) 8553 - 4845
Email: tscocpas@gmail.com

Trust Service Commitment

Independent Auditors' Report

The Board of Directors and Stockholders
I.B. Gimenez Securities, Inc.
1919B E. Amang Rodriguez,
Pasig City

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **I.B. Gimenez Securities, Inc.** (the Company), which comprise the statement of financial position as at December 31, 2024 and 2023, and the related statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

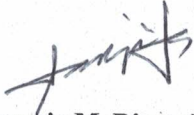
Report on Supplemental Information required by the Bureau of Internal Revenue

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 32 of the Notes to Financial Statements is presented for the purpose of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management and 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.

Report on Supplementary Information required by the Securities and Exchange Commission

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in the attached Schedules 1 to 7 is presented for the purpose of filing with the Securities and Exchange Commission as required under the Revised Securities Regulation Code (SRC Rules), and is not a required part of the basic financial statements. Such information is the responsibility of the management and 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.

TEODORO SANTAMARIA AND CO.



By: Arsenio M. Dimagiba Jr.

Partner

CPA License No. 007468

Valid until June 5, 2026

BOA/PRC Registration No. 5593 (Firm)

Valid until September 26, 2027

BOA/PRC Registration No. 5593/P-002 (Individual)

Valid until September 26, 2027

SEC Accreditation No. 5593-SEC (Firm)

Valid until 2025 Financial Statements of SEC

Covered institutions

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Valid until April 12, 2026

T.I.N. 106-713-002

P.T.R. No. 10487187 / Makati City

January 17, 2025

April 30, 2025

Makati City, Philippines

I.B. GIMENEZ SECURITIES, INC.

STATEMENTS OF FINANCIAL POSITION

	Notes	December 31		Market Value of Securities			
		2024	2023	December 31, 2024		December 31, 2023	
				Long	Short	Long	Short
(In Philippine Peso)							
<u>Assets</u>							
Current assets							
Cash and cash equivalents	7	151,751,533	68,831,087				
Trade receivables, net	8	721,169	990,291	1,401,715		2,854,004	
Other receivables	9	204,588	120,535				
Financial assets at fair value							
through profit or loss	10	20,705,234	21,119,593	20,705,234		21,119,593	
Prepayments							
and other current assets	11	413,981	436,657				
Total current assets		173,796,505	91,498,163				
Non-current assets							
Deferred input VAT	12	1,525,216	1,404,074				
Financial assets at fair value							
through other comprehensive income	13	84,000	84,000	84,000		84,000	
Property and equipment, net	14	10,934,051	11,290,577				
Deferred tax asset, net	29	18,774,512	9,372,663				
Trading rights	3	396,000	396,000				
Total non-current assets		31,713,780	22,547,314				
Total assets		205,510,285	114,045,477				

SECURITIES

In box, with Philippine Central Depository, Inc., transfer offices and clearing house:	659,992,459	704,413,920
- forward -		

- brought forward -

		December 31		Market Value of Securities			
		2024	2023	December 31, 2024		December 31, 2023	
	Notes			Long	Short	Long	Short
(In Philippine Peso)							
Liabilities and equity							
Current liabilities							
Trade payables	15	117,765,891	33,764,774	637,801,510		680,356,323	
Payable to non-customers	16	203,182	195,452				
Due to related parties	18	22,612,365	22,612,365				
Other current liabilities	17	5,361,303	5,403,850				
Total current liabilities		145,942,742	61,976,441				
Non-current liabilities							
Retirement benefits liability	28	2,192,450	1,976,362				
Total non-current liability		2,192,450	1,976,362				
Total liabilities		148,135,192	63,952,803				
Equity							
Share capital	19	30,750,000	30,750,000				
Net unrealized gain on FA at FVOCI	20	-	-				
Unrecognized actuarial (losses)/ gain	21	(15,683)	(13,342)				
Retained earnings	22	26,640,777	19,356,016				
Total equity		57,375,094	50,092,674				
Total liabilities and equity		205,510,286	114,045,477	659,992,459	659,992,459	777,927,246	777,927,246

See accompanying notes to financial statements

I.B. GIMENEZ SECURITIES, INC.

STATEMENTS OF COMPREHENSIVE INCOME

		For the years ended December 31	
	Notes	2024	2023
(In Philippine Peso)			
Revenue			
Commission revenue		535,566	805,345
Cost of services	25	(1,271,747)	(1,273,380)
Gross (loss)/profit		(736,181)	(468,035)
(Loss)/gain on sale of financial assets		-	(36,878)
Other revenues	26	5,023,326	2,914,764
Unrealized gain/(loss) on financial assets at fair value through profit or loss	10	(418,394)	1,117,137
Operating expenses	27	(5,213,489)	(5,338,469)
Loss before income tax		(1,344,739)	(1,811,480)
Income tax benefit	29	8,643,990	14,254,799
Net income/(loss)		7,299,251	12,443,319
Other comprehensive income			
<i>Item that recycle to profit or loss in subsequent periods:</i>			
Net unrealized (loss)/gain on financial assets at FVOCI, net of tax	20	-	(9,772,542)
<i>Item that do not recycle to profit or loss in subsequent periods:</i>			
Actuarial (loss)/gain on retirement benefits, net of tax	21	(2,342)	(158,969)
		(2,342)	(9,931,511)
Total comprehensive income/(loss)		7,296,910	2,511,808
Income/(loss) per share	23	23.74	40.47

See accompanying notes to financial statements.

I.B. GIMENEZ SECURITIES, INC.

STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Net Unrealized Gain on Financial Assets at FVOCI	Unrecognized Actuarial Gains/(Losses)	Retained Earnings		Total
	(Note 19)	(Note 20)	(Note 21)	Unappropriated (Note 22)	Appropriated	
Balance as of January 1, 2023	30,750,000	9,772,542	145,627	(882,899)	7,804,751	47,590,021
Total comprehensive loss	-	(9,772,542)	(158,969)	12,443,319	-	2,511,808
Appropriation for the year	-	-	-	(2,488,664)	2,488,664	-
Expired DTA-MCIT	-	-	-	(9,155)	-	(9,155)
Balance as of December 31, 2023	30,750,000	-	(13,342)	9,062,601	10,293,415	50,092,674
Total comprehensive income	-	-	(2,342)	7,299,251	-	7,296,910
Appropriation for the year	-	-	-	(1,459,850)	1,459,850	-
Expired DTA- MCIT (Note 29)	-	-	-	(14,490)	-	(14,490)
Balance as of December 31, 2024	30,750,000	-	(15,683)	14,887,512	11,753,265	57,375,093

See accompanying notes to financial statements.

I.B. GIMENEZ SECURITIES, INC.

STATEMENTS OF CASH FLOWS

		For the years ended December 31	
	Notes	2024	2023
(In Philippine Peso)			
Cash flows from operating activities			
Loss before income tax		(1,344,739)	(1,811,480)
Adjustments for:			
Employee retirement cost	28		187,995
Unrealized (gain)/loss in financial assets at fair value through profit or loss	10	418,394	(1,117,137)
Loss/(gain) on sale of financial assets at FVPL		(5,808)	36,878
Interest income	7,26	(3,856,969)	(1,498,818)
Dividend income	10,13,26	(1,160,549)	(1,415,947)
Depreciation	14,27	361,437	724,371
Provision of allowance for credit losses	8	99,171	89,616
Operating loss before working capital changes		(5,489,063)	(4,804,523)
Decrease/ (Increase) in:			
Trade receivables	8	169,951	1,997,390
Other receivables	9	(84,053)	40,230
Financial assets at fair value through profit or loss	10,34	1,772	6,264,709
Prepayments and other current assets	11	22,676	33,138
Deferred input VAT	12	(121,142)	(77,727)
(Decrease)/ Increase in:			
Trade payables	15	84,001,117	5,340,608
Payable to non-customers	16	7,730	7,563
Retirement Liability		212,966	
Other current liabilities	17	(42,547)	10,299
Cash generated from operations		78,679,408	8,811,686
Interest income	7,26	3,856,969	1,498,818
Dividend income	10,13,26	1,160,549	1,415,947
Income tax paid		(771,569)	(291,940)
Net cash provided by operating activities		82,925,357	11,434,511
Cash flows from investing activity			
Acquisition of property and equipment	14	(4,911)	(42,946)
Net cash used in investing activity		(4,911)	(42,946)
Net increase in cash and cash equivalents		82,920,446	11,391,564
Cash and cash equivalents, January 1	7	68,831,087	57,439,523
Cash and cash equivalents, December 31	7	151,751,533	68,831,087

See accompanying notes to financial statement.

I.B. GIMENEZ SECURITIES, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

(Amounts in Philippines Peso, unless otherwise stated.)

1. Corporate Information

I.B. Gimenez Securities, Inc. (the Company) was registered with the Securities and Exchange Commission (SEC) on August 4, 1976. The purpose of the Company is to engage primarily in and to carry on the business of stock and share brokers, dealers in securities or financial agents in all transactions relating to the sale, transfer, mortgage, or underwriting, of every description of stock, notes, debentures, bonds, obligation, commodities and other debt or equity securities, and all transactions and negotiations on commission or otherwise relating to such business and to do all activities directly or indirectly connected therewith or incidental thereto.

As of December 31, 2024, of the Company's total paid-up capital is 40.67% owned by Fidelity Magellan Mutual Management, Inc.; 40.01% is owned by Janus Mutual Management Inc., and 18.50% is owned by Cloister 2 Realty, Inc. These corporations are organized and existing under the laws of the Philippines. The rest of the stockholders are all individuals whose ownership is less than 1%.

The Company's registered and principal office is located at 1919B E. Amang Rodriguez, Pasig City.

2. Summary of Material Accounting Policies

The material accounting policies that have been used in the preparation of these financial statements are summarized below. The policies that have been consistently applied to all years presented, unless otherwise stated.

Statement of Compliance

The accompanying financial statements were prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS in general includes all applicable PFRS, Philippine Accounting Standards (PAS), Interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC), and International Financial Reporting Standards Interpretations Committee (IFRS IC) which have been approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and approved by the Board of Accountancy (BOA).

Basis of Preparation

The accompanying financial statements have been prepared on the historical cost basis except for the present value of retirement benefits liability, less fair value of plan assets, if any, and the use of fair value for financial assets at fair value through profit and loss (FVPL) and financial assets at fair value through other comprehensive income (FVOCI) as further discussed in this note. The preparation of the financial statements in accordance with PFRS requires the use of critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in Note 3.

Functional and Presentation Currency

These financial statements are presented in Philippine Peso. The Company's functional currency and all values are rounded to the nearest Peso, except when otherwise indicated.

Current Versus Non-current Classification

The Company presents assets and liabilities in the statement of financial position on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed within a normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled within a normal operating cycle;
- It is held primarily for trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve 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.

Adoption of Amended PFRS Accounting Standards

Effective in 2024, the Company adopted for the first time the following amendments to PFRS Accounting Standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024:

PAS 1 (Amendments), *Presentation of Financial Statements* - Classification of Liabilities as Current or Non-current. The amendments provide guidance on whether a liability should be classified as either current or non-current. The amendments 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 that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no significant impact on the Company's 2 financial statements.

PAS 1 (Amendments), *Presentation of Financial Statements* - *Noncurrent Liabilities with Covenants*. The amendments specifies that if the right to defer settlement for at least 12 months is subject to an entity complying with conditions after the reporting period, then those conditions would not affect whether the right to defer settlement exists at the end of the reporting period for the purposes of classifying a liability as current or non-current. For non-current liabilities subject to conditions, an entity is required to disclose information about the conditions, whether the entity would comply with the conditions based on its circumstances at the reporting date and whether and how the entity expects to comply with the conditions by the date on which they are contractually required to be tested. The application of these amendments had no significant impact on the Company's financial statements.

PAS 7 and PFRS 7 (Amendments), *Statement of Cash Flows, Financial Instruments: Disclosures - Supplier Finance Arrangements*. The amendments add a disclosure objective to PAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The application of these amendments had no significant impact on the Company's financial statements.

PFRS 16 (Amendments), *Leases - Lease Liability in a Sale and Leaseback*. The amendments requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. In addition, the new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. The application of these amendments had no significant impact on the Company's financial statements

Future Adoption of New or Revised and Amendments to Standards Effective Subsequent to 2024

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

- PFRS 17 *Insurance Contracts - Insurance Contracts* (effective from January 1, 2025). The new standard for insurance contracts, which covers recognition, measurement, presentation and disclosure, will replace PFRS 4, *Insurance Contracts*. On December 15, 2021, the FSRSC amended the effective date of PFRS 17 from January 1, 2023 to January 1, 2025. In line with this, the Insurance Commission (IC) issued Circular Letter No. 2020-62 on May 18, 2020 providing further deferral of the implementation of PFRS 17 for life insurance and non-life insurance industry by two years after the IASB effective date.

This new standard requires a current measurement model where estimates are remeasured in each reporting period. Moreover, contracts are measured using the building blocks of:

- discounted probability-weighted cash flows;
- an explicit risk adjustment; and,
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognized as revenue over the coverage period.

PFRS 17 further allows a choice between recognizing changes in discount rates either in the statement of income or directly in other comprehensive income. The choice is likely to reflect how insurers account for financial assets under PFRS 9, *Financial Instruments*.

In addition, the standard provides an optional simplified premium allocation approach for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers. A modification of the general measurement model called the variable fee approach is also introduced by PFRS 17 for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.

In preparation for the adoption of PFRS Company 17, the Company continues to perform end to end system tests, preparing policy and accounting data required for these tests and updating the accounting and actuarial policies and processes to comply with PERS 17 requirements. Also, the Company is still assessing the quantitative impact of the initial application of the new standard to its financial statements.

- PFRS 17 (Amendments), *Insurance Contracts - Initial Application of PFRS 17 and PFRS 9 - Comparative Information* (effective from January 1, 2025)
- PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability* (effective from January 1, 2025)
- PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)
- PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of income (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The amendments, however, do not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.
- PFRS 19, *Subsidiaries without Public Accountability: Disclosures* (effective from January 1, 2027)
- PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

Material Accounting Policies

Cash and Cash Equivalents

Cash includes cash on hand and with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisition and that are subject to an insignificant risk of changes in value.

Financial Instruments

Date of Recognition

Financial instruments are recognized in the statements of financial position when the Company becomes a party to the contractual provisions of the instrument. All regular way of purchases or sales of financial assets are recognized on the trade date, which is the date the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The Company has no financial liabilities at FVPL or derivatives for the years ended December 31, 2024 and 2023.

Classification, Measurement and Reclassification of Financial Assets

The classification and measurement of financial assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The classification and measurement of financial assets are described below and in the succeeding pages.

Financial Assets at Amortized Cost

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

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

All financial assets meeting these criteria are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less any impairment in value. Where the business model is to hold assets to collect contractual cash flows, the Company assesses whether the financial instruments' cash flows represent SPPI. In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVPL.

The Company's financial assets at amortized cost are presented in the statement of financial position as Cash and Cash Equivalents, Loans and Other receivables, Investment securities at amortized cost and certain accounts under Other Assets account in the statement of financial position. For purposes of reporting cash flows, cash and cash equivalents include cash and other cash items, and investment securities at amortized cost with original maturities of three months or less from placement date.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets except for those that are subsequently identified as credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance). The interest earned is recognized in the statement of income as part of Interest Income.

Financial Assets at Fair Value Through Other Comprehensive Income

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective is to hold to collect the associated cash flows and sell ("hold to collect and sell"); and,
- the contractual terms of the financial assets give rise to cash flows that are SPPI on the principal amount outstanding.

At initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Company for trading or as mandatorily required to be classified as FVPL. The Company has designated equity instruments as at FVOCI on initial application of PFRS 9.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for any disposal costs. Gains and losses arising from changes in fair value, including the foreign exchange component, are recognized in other comprehensive income, net of any effects arising from income taxes, and are reported as part of equity. When the asset is disposed of, the cumulative gain or loss previously recognized in the equity account is not reclassified to profit or loss but is reclassified directly to retained earnings account except for those debt securities classified as FVOCI wherein fair value changes are recycled back to profit or loss.

Any dividends earned on holding equity instruments are recognized in profit or loss as part of Miscellaneous under Other Operating Income account, when the Company's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and, the amount of dividend can be measured reliably, unless the dividends clearly represent recovery of a part of the cost of the investment.

Financial Assets at Fair Value Through Profit or Loss

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorized at FVPL. Further, irrespective of business model, financial assets whose contractual cash flows are not SPPI are accounted for at FVPL. Also, equity securities are classified as financial assets at FVPL, unless the Company designates an equity investment that is not held for trading as at FVOCI at initial recognition. The Company's financial assets at FVPL include equity securities which are held for trading purposes or designated as at FVPL. Financial assets at FVPL are measured at fair value with gains or losses recognized in profit or loss as part of Trading Gain – net under Other Operating Income in the statements of income. Related transaction costs are recognized directly as expense in profit or loss. The fair values of these financial assets are determined by reference to active market transactions or using valuation technique when no active market exists. Interest earned on these investments is recorded as Interest Income and dividend income is reported as part of Dividends both under Other Income account in the statements of income. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI. The Company can only reclassify financial assets if the objective of its business model for managing those financial assets changes.

Accordingly, the Company is required to reclassify financial assets:

- (i) from amortized cost to FVPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and,
- (ii) from FVPL to amortized cost, if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

A change in the objective of the Company's business model will take effect only at the beginning of the next reporting period following the change in the business model.

Effective Interest Rate Method and Interest Income

Interest income is recognized using the effective interest rate (EIR) method for all financial instrument measured at amortized cost and financial instrument designated at FVPL. Interest income on interest bearing financial assets measured at FVOCI are also recorded by using the EIR method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of EIR. The Company recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan.

Hence, it recognizes the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive (negative) adjustment to the carrying amount of the asset in the balance sheet with an increase (reduction) in Interest income. The adjustment is subsequently amortized through interest and similar income in the statements of income. The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the net carrying amount of the financial assets (after deduction of the loss allowance). If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis. For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying a credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Impairment of Financial Assets

The Company assesses its ECL on a forward-looking basis associated with its financial assets carried at amortized cost, debt instruments measured at FVOCI and other contingent accounts. No impairment loss is recognized on equity investments. Recognition of credit losses or impairment is no longer dependent on the Company's identification of a credit loss event. Instead, the Company considers a broader range of information in assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect collectability of the future cash flows of the financial assets. The Company measures loss allowances at an amount equal to lifetime ECL, except for the following financial instruments for which they are measured as 12-month ECL:

- debt securities that are identified to have 'low credit risk' at the reporting date; and,
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

For these financial instruments, the allowance for impairment is based on 12-month ECL associated with the probability of default of a financial instrument in the next 12 months (referred to as 'Stage 1' financial instruments). Unless there has been a significant increase in credit risk subsequent to the initial recognition of the financial asset, a lifetime ECL (which are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial asset) will be recognized (referred to as 'Stage 2' financial instruments). 'Stage 2' financial instruments also include those loan accounts and facilities where the credit risk has improved and have been reclassified from 'Stage 3'. A lifetime ECL shall be recognized for 'Stage 3' financial instruments, which include financial instruments that are subsequently credit-impaired, as well as purchased or originated credit impaired (POCI) assets.

Measurement of ECL The key elements used in the calculation of ECL are as follows:

- Probability of Default (PD) – it is an estimate of likelihood of a borrower defaulting on its financial obligation over a given time horizon, either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.
- Loss Given Default (LGD) – it is an estimate of loss arising in case where a default occurs at a given time (either over the next 12 months or 12-month LGD), or over the remaining lifetime or lifetime LGD). It is based on the difference between the contractual cash flows of a financial instrument due from a counter party and those the Company would expect to receive, including the realization of any collateral. It is presented as a percentage loss per unit of exposure at the time of default.

- Exposure at Default (EAD) – it represents the gross carrying amount of the financial instruments subject to impairment calculation; hence, this is the amount that the Group expects to be owed at the time of default over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD). In case of a loan commitment, the Company shall include the undrawn balance (up to the current contractual limit) at the time of default should it occur.

The measurement of the ECL reflects:

- (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- (ii) the time value of money; and,
- (iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Derecognition of Financial Assets

The financial assets (or where applicable, a part of a financial asset or part of a group of financial assets) are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Other Financial Receivables

Other financial receivables include “Trade receivables” which are recorded when due and measured at the original invoice amount then subsequently carried at amortized cost less allowance from any uncollectible amount. The carrying value of insurance receivables is reviewed from impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, the impairment loss is recorded in the Statement of comprehensive income.

Impairment of Financial Assets at Amortized Cost

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in the statements of comprehensive income. The asset together with

the associated allowances are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Company.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the statements of comprehensive income, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

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

Other Financial Liabilities

Issued financial instruments or their components, which are not classified as financial liabilities at FVPL are classified as other financial liabilities, where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder or lender, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

After initial measurement, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate. The amortization is included as part of interest expense in the statements of comprehensive income. Any effect of restatement of foreign currency-denominated liabilities is recognized in foreign exchange gains/(losses) account in the statements of comprehensive income.

As at December 31, 2024 and 2023, the Company's other financial liabilities include trade payables, payable to non-customers and other current liabilities, except taxes payable, accrued expenses and due to SSS/PHIC and HDMF.

Derecognition of Financial Liabilities

Financial liabilities are derecognized in the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the resulting net amount, considered as a single financial asset or financial liability, is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and must be legally enforceable for both entity and all counterparties to the financial instruments.

Property and Equipment

Property and equipment are carried at cost, net of accumulated depreciation and any impairment in value. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Office fixtures and equipment	3 and 5 years
Transportation equipment	5 years
Leasehold improvement	2 years
Condominium	15 years

The initial cost of property and equipment comprises its purchase price and all directly attributable cost necessary to bring an asset to its working condition and location for its intended use. Repairs and maintenance, and overhaul costs, are normally charged to operations in the period they are incurred. However, subsequent expenditures incurred for an item in the property and equipment are capitalized and added to the carrying amount of the asset when it is probable that the future economic benefits have been increased beyond its originally assessed standard of performance.

Derecognition of Property and Equipment

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

Trading Rights

The demutualization of the Philippine Stock Exchange (PSE) has resulted to the conversion of the “Membership Seat in Exchange” account into two asset accounts in the books of the Company – “Investment in PSE shares” and “Exchange Trading Rights” accounts. The cost of the “Membership Seat in Exchange” account was allocated between the Investment in PSE shares and Exchange Trading Rights based in their relative fair values.

The Company considered the Exchange Trading Rights as an intangible asset having an indefinite useful life, as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflow to the Company. Exchange Trading Rights is carried at cost less impairment and is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Company has no intention to sell the Exchange Trading Rights in the near future.

Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that its non-financial assets may be impaired. When an indicator of impairment exists (or when annual impairment testing for an asset is required), the Company estimates the recoverable amount of the impaired assets. The recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is the present value of future cash flows expected to be derived from an asset while fair value less costs to sell is the amount obtainable from the sale of an asset in an arm’s length transaction between knowledgeable and willing parties less cost of disposal. Where the carrying amount of an asset exceeds its recoverable amount, the impaired asset is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

An impairment loss is charged to profit or loss in the period when it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is charged directly to the revaluation increment of the said asset.

For non-financial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the net recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its net recoverable amount.

The reversal can be made only to the extent that the resulting carrying value does not exceed the carrying value that would have been determined, net of depreciation and amortization, had no impairment loss been recognized. Such reversal is recognized in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation is adjusted in future years to allocate the asset’s revised carrying amount, less any residual value, on a systematic basis over its remaining life.

Related Party Transactions

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and operation decisions. This includes: (1)

individual owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with, the Company; (2) associates; (3) individual owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual.

Equity

Share capital is determined using the par value of shares that have been issued.

Reserves comprise gains and losses due to the changes in fair value of financial assets at FVOCI and unrecognized actuarial gain or loss on retirement benefits obligation.

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

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- Commission income – revenue is recognized when stock brokerage services were rendered to customers and trade deals are confirmed, computed on a flat rate for every trade transactions.
- Interest – revenue is recognized as the interest accrues (taking into account the effective yield on the interest)
- Dividend – revenue is recognized when the shareholders' right to receive the payment is established.
- Gain on sale of financial assets at FVPL is recognized upon actual derecognition of the financial assets, and the ownership of the financial asset had been transferred to the buyer.

Revenue is measured by reference to the fair value of consideration received or receivable by the Company.

Cost and Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows on decrease of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Cost and expenses are recognized when the related revenue is earned or when the service is incurred.

Earnings Per Share

Earnings per share is computed by dividing net profit by the weighted average number of shares issued and outstanding at the end of the year.

Retirement Benefit Costs

Retirement benefits liability, as presented in the statement of financial position, is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, if any, adjusted for the effect of limiting a net defined asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under defined benefit plan is actuarially determined using the projected unit credit method. The retirement benefit costs comprise of the service cost, net interest on the net defined liability or asset and the remeasurements of net defined liability or assets.

Service costs which include service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendments or curtailments occurs. These amounts are calculated periodically by independent qualified actuaries. The accrued benefit actuarial cost method (Projected Unit Credit) is applied taking into account the factors of interest, mortality, disability and salary projection rates.

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

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

Termination Benefits

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those and when the entity recognizes related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of other employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

Employee Leave Entitlement

Employee entitlements to annual leave are recognized as liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Leases

Policy Applicable upon adoption of PFRS 16

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses definition of a lease in PFRS 16. This policy is applied to contracts entered into on or after January 1, 2019.

Income Taxes

Current tax assets or liabilities comprise those claims from, or obligation to, taxation authorities relating to the current or prior reporting period, that are uncollected or unpaid at the reporting period. They are calculated according to the tax rates and tax laws applicable to the calendar periods to which they relate, based on the taxable profit for the year.

Deferred tax is provided, using the balance sheet liability method on all temporary differences at the balance reporting period between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Under the balance sheet liability method, with certain exceptions, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carry forward of unused net operating loss carry over (NOLCO), if there are any, to the extent that it is probable that taxable profit will be available against deductible temporary differences.

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

Most changes in deferred income tax assets or liabilities are recognized as a component of tax expense in the statement of comprehensive income. Only changes in deferred income tax assets or liabilities that relates to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

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

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

Provisions and Contingencies

Provisions are recognized when present obligation will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting period, including the risks and uncertainties associated with the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where time value of money is material.

Provisions are reviewed at each reporting period and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized in the financial statements, however, they are disclosed, in those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.

Events After Reporting Period

Events after reporting period that provide additional information about the Company's position at reporting period (adjusting events) are reflected in the financial statements. Post year-end non-adjusting events are disclosed in the notes to financial statements when material.

3. Material Accounting Judgments and Estimates

The Company's financial statements prepared in accordance with PFRS require management to make judgments and estimates that affect amounts in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances. Actual results may ultimately differ from these estimates.

Judgments

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

Determination of Functional Currency and Presentation Currency

The Company has determined that its functional currency is the Philippine Peso, which is the currency of the primary environment in which the Company operates.

Categories of Financial Instruments

The Company classifies a financial instrument, or its component parts, on initial recognition as financial assets, a financial liability or an equity instrument based with the substance of the contractual arrangement and the definitions of financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classifications in the statement of financial position. The Company determines the classification at initial recognition and re-evaluates this designation at every financial reporting date (Please see Note 5).

Lease

The Company has entered into various lease agreements. Critical judgment was exercised by management to distinguish each lease agreement by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements.

Rent expense amounted to P321,429 both in 2024 and 2023. (Note 27 and 30).

Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provision and disclosure of contingencies are discussed in Note 2 – Provisions.

Estimates

The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances of the Company's financial statements. Actual results could differ from those estimates. The following are the relevant estimates performed by Management on its December 31, 2024 and 2023 financial statements:

Valuation of Financial Instruments

The Company carries certain financial instruments at fair value which requires the extensive use of accounting estimates and judgment. Significant components of fair value measurement were determined using verifiable objective evidence from observable active markets and other valuation techniques including the use of mathematical models. However, the amount of changes in fair value would differ if the Company utilized different valuation methods and assumptions. Any change in fair value of these financial assets and liabilities would affect profit and loss and equity.

Management valuation methods and assumptions in determining the fair value of the Company's financial instruments are discussed in Note 5.

Impairment of Receivables

Allowance is made for specific and groups of accounts, where objective evidence of impairment exists. The Company evaluates these accounts based on available facts and circumstances, including, but not limited to, the length of the Company's relationship with the customers, the customers' current credit status based on third party credit reports and known market forces, average age of accounts, collection experience and historical loss experience.

Allowance for credit losses amounted to P828,347 in 2024 and P729,266 in 2023. (Please see Note 8).

Impairment of Financial Assets at FVOCI

The Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its costs; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

Management believes that no impairment exists in the financial assets at FVOCI for 2024 and 2023.

Useful Life of Property and Equipment

The Company estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of assets. In addition, estimation of the useful lives of property and equipment is based on 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. A reduction in estimated useful lives of property and equipment would increase recorded operating expenses and decrease non-current assets.

Property and equipment, net of accumulated depreciation, amounted to P10,934,051.38 in 2024 and P11,290,577 in 2023 (Please see Note 14).

Realizable Amount of Deferred Income Tax Assets

The Company reviews its deferred income tax assets at each statements of financial position date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred income tax assets, net amounted to P18,774,512 in 2024 and P9,372,663 in 2023 (Please see Note 29).

Retirement Benefits

The determination of the Company's obligation, cost of pension and other retirement benefits depends on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumption are described in Note 28 and include, among others, discount rates and salary increase rate.

The retirement benefit liability amounted to P2,192,450 in 2024 P1,976,362 and 2023 (Please see Note 28). The actuarial (loss)/gain, net of tax amounted to P(13,342) in 2024 and 2023 (Please see Notes 21).

Impairment of Non-financial Assets

PFRS requires that an impairment review be performed when certain impairment indicators are present. The Company's policy on estimating the impairment of non-financial asset is discussed in detail in Note 2 – Impairment of non-financial assets. Though management believes 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 effect on the results of operations. Based on Management assessment, there is no impairment loss on non-financial assets that need to be recognized.

Trading Rights

The Company carries its Trading rights at cost of P396,000 both in 2024 and 2023. As at December 31, 2024 and 2023, the fair value less costs to sell of the exchange trading right amounted to P8,000,000, representing the transacted price of the exchange trading right of the most recent sale approved by the PSE on November 16, 2022.

4. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise of financial assets at FVPL, available for sale financial assets, cash and cash equivalents, trade receivables and other receivables, while its financial liabilities are trade payables, payable to non-customers, due to related parties and other current liabilities.

Since the Company is exposed to a variety of risks such as credit risk, liquidity risk, and market risk, the Board of Directors (BOD) makes it a point to have adequate risk management guiding principles, which will institutionalize a focused approach in addressing its exposure to different business risks.

The Company's risk management policy is addressed as follows:

Credit Risks

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations, as and when they fall due.

It is inherent to the stock brokerage business that potential losses may arise due to the failure of its customer and counterparties to fulfill their trading obligation on settlement date or the possibility that the value of collateral held to secure obligations becoming inadequate due to adverse market conditions.

The Company has no significant concentration of credit risk. Its day to day transactions of buying and selling of equity securities in the Philippine Stock Exchange are made through a reputable stock broker whose qualifications were reviewed and approved by the BOD.

The Company manages credit risk by setting limits for individual customers and group of customers. The Company monitors credit exposures and continually assesses the credit worthiness of counterparties.

The Company's financial assets that have the maximum exposure to credit risk as presented in the financial statements as summarized as follows:

	Notes	2024	2023
Cash in banks and cash equivalents	7	151,751,533	68,818,087
Trade receivables, net	8	721,169	990,291
Other receivables	9	204,588	120,535
Financial assets at fair value through profits or loss	10	20,705,234	21,119,593
Financial assets at FVOCI	13	84,000	84,000
Total		173,466,524	91,132,506

The table below shows the credit quality of financial assets as at December 31, 2024 and 2023:

	Neither past due nor impaired		Past due but not impaired	Allowance for credit losses	Total
	High Grade	Standard Grade			
2024					
Financial asset at amortized cost					
Cash in banks and cash equivalents	151,734,968	-	-	-	151,734,968
Trade receivables	-	1,549,517	-	(828,347)	721,169
Other receivables	-	120,535	-	-	120,535
Financial assets at FVPL	-	20,705,234	-	-	20,705,234
Financial assets at FVOCI	-	84,000	-	-	84,000
	151,734,968	22,459,286	-		173,365,907

	Neither past due nor impaired		Past due but not impaired	Allowance for credit losses	Total
	High Grade	Standard Grade			
2023					
Financial asset at amortized cost					
Cash in banks and cash equivalents	68,818,087	-	-	-	68,818,087
Trade receivables	72,592	1,646,965	-	(729,266)	990,291
Other receivables	-	120,535	-	-	120,535
Financial assets at FVPL	-	21,119,593	-	-	21,119,593
Financial assets at FVOCI	-	84,000	-	-	84,000
	68,890,679	22,971,093	-		91,132,506

Cash in banks and cash equivalents are limited to reputable banks duly approved by the Board of Directors, hence, high grade.

High grade trade receivables are active accounts with a remote likelihood of payment defaults.

High grade financial asset at FVOCI represent equity investment in PSE.

Standard grade financial asset at FVOCI represent equity investment in golf club shares.

Standard grade trade and other receivables are active accounts with minimal instances of payment defaults.

Standard grade financial assets at FVPL represent equity securities being traded in PSE which reacts to normal market conditions.

Liquidity Risks

Liquidity risks or funding risks is the risks that the Company will encounter in raising funds to meet its commitments/ obligations. Liquidity risks may result from difficulty in collections or inability to generate cash inflows as anticipated.

The Company's objectives in managing its liquidity profile are:

- a. Ensure that adequate funding is available at all times;
- b. Meet commitments as they arise without incurring unnecessary cost;
- c. Be able to access funding when needed at the least possible cost;
- d. Regularly monitor and evaluate its projected cash flow.

The following are the Company's financial liabilities which have contractual maturities of less than six (6) months.

	Note	2024	2023
Trade payables	15	117,765,891	33,764,774
Payable to non-customers	16	203,182	195,452
Due to related parties	18	22,612,365	22,612,365
Other current liabilities	17	5,361,303	5,403,850
		145,942,741	61,976,442

As at December 31, 2024 and 2023, the Company has sufficient financial assets that can be used to manage its liquidity risk consisting of cash and cash equivalents, trade receivables, other receivables, financial assets at fair value through profit or loss and available-for sale financial assets. Liquidity ratios for the years ended 2024 and 2023 are % and 148%, respectively.

Market Risk

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity prices and other market changes. The Company's market risk originates from cash and cash equivalents and financial assets at FVPL.

The Company utilizes market risk factor sensitivities as a tool to manage market risk. Market risk factor sensitivities of a position are defined as a change in the value of a position caused by a unit shift in a given market factor. Market risk factor sensitivities include interest rate and foreign exchange sensitivities. The calculation of the factor sensitivities is obtained by measuring the effect of a one (1) unit increase in current interest rates and current foreign exchange rates or volatilities upon various product types.

Foreign Currency Risk

The Company has no significant exposure to foreign currency risks as most transactions are denominated in Philippine Peso, its functional currency.

Other Market Price Risk

The Company's management monitors market price risk from its financial assets classified as financial assets at fair value through profit or loss. The management monitors the market price in daily-published quotations and regularly reports the results to the Board of Directors.

The following table demonstrates the sensitivity to reasonably possible changes in market value of financial assets at FVPL and available for sale financial asset, with all variable held constant, of net results and equity.

2024	Change	Effect on net results	Effect on Equity	Change	Effect on net results	Effect on Equity
Financial assets at FVPL	-2%	(62)	(47)	2%	62	47
Financial assets at FVOCI	-3%	(2,520)	(1,890)	3%	2,520	1,764

2023	Change	Effect on net results	Effect on Equity	Change	Effect on net results	Effect on Equity
Financial assets at FVPL	-2%	(422,392)	(316,794)	2%	422,392	316,794
Financial assets at FVOCI	-3%	(2,520)	(1,890)	3%	2,520	1,764

Interest Rate Risks

This risk arises when there is a possible change on interest rate of +100 basis points and -100 basis points on December 31, 2024 and 2023 which will affect the future cash flows or fair value of financial instruments. These changes are considered to be reasonably possible based on observation of current market conditions. All other variables are held constant.

2024

	Change in +100 basis points		Change in -100 basis points	
	Effect on net results	Effect on Equity	Effect on net results	Effect on Equity
Cash and cash equivalents	1,517,515	1,214,012	(1,517,515)	(1,214,012)

2023

	Change in +100 basis points		Change in -100 basis points	
	Effect on net results	Effect on Equity	Effect on net results	Effect on Equity
Cash and cash equivalents	688,181	550,545	(688,181)	(550,545)

5. Categories and Fair Values of Financial Assets and Liabilities

Comparison of Carrying Amounts and Fair Values

The carrying amounts and fair values of the categories of financial assets and liabilities presented in the statements of financial position are shown below:

		2024		2023	
	Notes	Carrying amounts	Fair values	Carrying amounts	Fair values
Financial assets at amortized cost					
Cash and cash equivalents	7	151,751,533	151,751,533	68,831,087	68,831,087
Trade receivables, net	8	721,169	721,169	990,291	990,291
Other receivables	9	204,588	204,588	120,535	120,535
		152,677,290	152,677,290	69,941,913	69,941,913
Financial assets at FVPL	10	20,705,234	20,705,234	21,119,593	21,119,593
Financial assets at FVOCI					
Quoted	13	-	-	-	-
Unquoted	13	84,000	84,000	84,000	84,000
		84,000	84,000	84,000	84,000
		2024		2023	
	Notes	Carrying amounts	Fair values	Carrying amounts	Fair values
Other financial liabilities					
Trade payables	15	114,477,618	114,477,618	33,764,774	33,764,774
Payable to non-customers	16	203,182	203,182	195,452	195,452
Due to related parties	18	22,612,365	22,612,365	22,612,365	22,612,365
Other current liabilities	17	5,362,682	5,362,682	5,403,850	5,403,850
		142,655,847	142,655,847	61,976,442	61,976,442

Management considers the carrying amounts recognized in the statement of financial position to be reasonable estimates of the fair values of cash and cash equivalents, trade receivables, other receivables, trade payables, payable to non-customers, due to related parties and other current liabilities because of their short period term.

The fair value of financial assets at FVPL and quoted financial assets at FVOCI are based on the quoted market price in the PSE as at December 31, 2024 and 2023 or on the last trading day of each year.

Management has estimated that the initial transaction price of the unquoted financial assets at FVOCI is the best evidence of its fair value, since it has no quoted price in an active market, and its fair value could not be measured reliably.

Fair Value Hierarchy Measurements

The table below presents the hierarchy of fair value measurements used by the Company:

	Level 1	Level 2	Level 3	Total
December 31, 2024				
Financial asset at FVPL	20,705,234	-	-	20,705,234
Financial asset at FVOCI	-	-	84,000	84,000
	20,705,234	-	84,000	20,789,234
December 31, 2023				
Financial asset at FVPL	21,119,593	-	-	21,119,593
Financial asset at FVOCI	-	-	84,000	84,000
	21,119,593	-	84,000	21,203,593

The different levels have been defined as follows:

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

There were no transfer of financial instruments between Levels 1, 2 and 3 both in 2024 and 2023.

6. Capital Management Objectives, Policies and Procedures

The Company's objective when managing capital is to maintain its ability to continue as a going concern entity and to maintain optimal capital structure so as to maximize shareholder value. In order to achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Company's strategy is to maintain a gearing ratio not exceeding 100%. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	2024	2023
Net debt	(6,906,357)	(4,878,283)
Net equity	57,375,093	50,092,674
Total capital	50,468,736	45,214,391
Gearing ratio	-14%	-11%

The Company manages its capital structure and makes adjustments to it as changes in economic conditions arise.

Minimum Capital Requirement

On December 30, 2003, the SEC passed the Amended Implementing Rules and Regulations (IRR) of the SRC effective February 28, 2004. Significant changes include, among others, revisions in the terms and conditions for registration and subsequent renewal of license applicable to both exchange trading participants and non-exchange broker dealers as follows: (a) to allow a net capital of P2,500,000 or 2.5% of aggregate indebtedness, whichever is higher, for broker dealers dealing only in proprietary shares and not holding securities, (b) to allow the SEC to set a different net capital requirement for those authorized to use the risk-based capital adequacy model, and (c) to require unimpaired paid-up capital of P100,000,000 for broker dealers firms and will participate in a registered clearing agency; P10,000,000 plus a surety bond for existing broker dealers not engaged in market making transactions; and P2,500,000 for broker dealing only in proprietary shares and not holding securities. The Company posted a surety bond amounting P12,000,000 in compliance with the Amended IRR of the SRC Rule 28.1.

On May 28, 2009, the Securities and Exchange Commission (“SEC”) approved Memorandum Circular No. 2009-0316 or Rules Governing Trading Rights and Trading Participants, Art. III, Sec. 8(c). The guidelines states that “Trading Participants shall have a minimum unimpaired paid-up capital, as defined by the Securities and Exchange Commission of Twenty Million Pesos (P20,000,000) effective December 31, 2009; Provided further, That effective December 31, 2010 and onwards, the minimum unimpaired paid-up capital shall be Thirty Million Pesos (P30,000,000).”

On April 15, 2010, PSE issued Memorandum Circular No.2010-0158 or Deferment of the Rule on Minimum Unimpaired Paid-up Capital for Trading Participants previously set to take effect on December 31, 2010.

On October 22, 2010, SEC approved Memorandum Circular No. 2010-0494 or Deferment on the Minimum Unimpaired Paid-up Capital for Trading Participants (TPs). The Memo states that “TPs with Unimpaired Paid-up Capital (“UPC”) falling below Thirty Million pesos (P30,000,000) shall post surety bond amounting Ten Million (P10,000,000) for the period covering 1 January 2011 to 31 December 2011 until securities held and controlled by the TPs shall be recorded under the name of the individual clients in the books of the Transfer Agent.” The deferral granted by the Commission is effective only for the period January 2011 until December 31, 2011.

However, on November 8, 2010, the Commission has adopted SEC Resolution No. 489, series of 2010 stating the effectivity of the deferment from 01 January 2011 until 30 November 2011. Hence, all TPs must have complied with the Thirty Million UPC requirement by December 2011.

The Company is in compliance with the above externally imposed capital requirements for the years ended December 31, 2024 and 2023.

Risk-Based Capital Adequacy Rule

On November 11, 2004, the SEC approved Memorandum Circular No. 16, which provides the guidelines on the adoption in the Philippines of the Risk Based Capital Adequacy (RBCA) Framework for all registered brokers dealers in accordance with SRC. These guidelines cover the following: (a) position or market risk, (b) credit risks such as counter party, settlement, large exposure, and margin financing risks, and (c) operational risk. Among others, the RBCA rules provide for specific guidelines on the treatment of new subordinated loan agreements and investment in PSE shares. The Circular provides for a transition period from net capital to RBCA until November 30, 2005. During the transition period, the broker dealer is required to comply with the continuing reportorial requirements if the SRC and its IRR, including the RBCA rules. Starting December 1, 2005, every broker dealer is expected to comply with all

the requirements of the RBCA rules. The first filing of the RBCA report, postposition, shall reflect the computed RBCA ratio as of December 31, 2005.

The Company being a registered broker in securities is subject to the stringent rules of the SEC and other regulatory agencies with respect to the maintenance of specific levels of RBCA ratios. RBCA is a ratio that compares the broker or dealer's total measured risk to its liquid capital. As a rule, the company must maintain an RBCA ratio of at least 120% and a net liquid capital (NLC) of at least P5.0 million or five percent (5%) of its aggregate indebtedness, whichever is higher. Also, the aggregate indebtedness (AI) of every stockbroker should not exceed two thousand percent (2,000%) of its NLC. In the event that the minimum RBCA ratio of 120% or the minimum NLC is breached, the Company shall immediately ceased doing business as a broker and shall notify the PSE and SEC.

As of December 31, 2024 and 2023, the Company is compliant with the required RBCA ratio, Net Liquid Capital (NLC), Total Risk Capital Requirement, Ratio of AI to NLC, among other ratios and capital indicators of the RBCA Rule.

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

	2024	2023
Equity eligible for net liquid capital	38,600,581	40,720,011
Less: Ineligible assets	26,703,157	13,894,003
Total	11,897,424	26,826,008
Operational risks	1,064,076	917,762
Position risks	4,071,436	7,018,696
Counterparty risks	-	-
Large exposure risks	248,026	3,315,619
Total Risk Capital Requirement	5,383,538	11,252,077
AI	148,135,192	63,952,803
5% of AI	7,406,760	3,197,640
Required NLC	5,000,000	5,000,000
Net Risk-Based Capital Excess	6,897,424	21,826,008
Ratio of AI to NLC	1245%	238%
RBCA Ratio	221%	238%

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

Ineligible Asset

This pertains to fixed assets and assets which cannot be readily converted into cash.

Position Risk Requirement

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

Operational Risk Requirement

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

Counterparty Risk Requirement

The amount necessary to accommodate a given level of risk of a counterparty defaulting on its financial obligation to a broker dealer.

Large Exposure Risk

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

Aggregate Indebtedness

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

7. Cash and Cash Equivalents

Cash and cash equivalents consist of:

	2024	2023
Cash on hand	16,565	13,000
Cash in banks	136,047,647	49,344,026
Short-term cash investments	15,687,321	19,474,061
	151,751,533	68,831,087

Cash in banks generally earn interest based on daily bank deposit rates ranging from 0% to 0.50% in 2023 and 2022. Short term cash investments have varying maturities up to three months depending on the Company's immediate cash requirements and earn interest at the respective short-term cash investment ranging from 5.65% to 0.10% both in 2024 and 2023. Interest earned amounted to P3,856,969 in 2024 and P1,498,818 in 2023 (Note 26)

Cash in bank includes Special Reserve Bank Account created and maintained for the exclusive benefit of customers as prescribed under SRC Rule 49.2 (Customer Protection Reserves and Custody of Assets) and mentioned in Part I (Rule 49.C) of this rule. Special bank reserve account amounted to P121,824,303.07 in 2024 and P34,296,568 in 2023. The Company is in compliance with the bank reserve requirement.

8. Trade Receivables, Net

This account consists of:

	2024	2023
Receivable from customers	1,644,137	1,719,556
Allowance for credit losses	(828,347)	(729,266)
Receivable from customers, net	815,789	990,291
Receivable from clearing house	(94,620)	-
Total	721,169	990,291

Allowance for credit losses is provided for when objective evidence is received that the Company will not be able to collect certain amounts due to it in accordance with original term of the receivables.

Receivable from clearing house pertains to the Company's receivable from Securities Clearing Corporation of the Philippines (SCCP). "Receivable from clearing house" arises when total selling transactions, i.e. shares of stock sold by customers exceeds total buying transactions within the last two trading days of the year (three days in 2022).

The security values of the debit balance of customers' account follow:

	2024		2023	
Ratio of market value of securities to debit balances	Debit balances	Market value of securities	Debit balances	Market value of securities
Fully secured accounts:				
250% or more	20,098	177,577	94,518	1,477,697
200% to 250%	-	-		
150% to 200%	-	-		
100% to 150%	-	-		
	20,098	177,577	94,518	1,477,697
Partly secured accounts:				
Less than 100%	1,624,038	1,224,139	1,624,038	1,376,309
Unsecured	-	-	1,000	-
	1,624,038	1,224,139	1,625,038	1,376,309
Total	1,644,137	1,401,715	1,719,556	2,854,004
Allowance for credit losses	(828,347)		(729,266)	-
Net	815,789	1,401,715	990,291	2,854,004
Receivable from clearing house	(94,620)	-	-	-
Total	721,169	1,401,715	990,291	2,854,004

Receivable from customers as at December 31, 2024 and 2023 amounting to P1,644,137 and P1,718,556 is secured by collateral comprising of equity securities of listed companies owned by the customers with the total fair value of P1,401,715 and P2,854,004. The collateral's fair value (market value) is based on the quoted market price at the PSE as at December 31, 2024 and 2023 or on the last trading day of the year.

In the event the customers failed to pay on due date, the Company is authorized to sell, even without notice, the equity securities held as collateral at prices prevailing on the date of securities are sold to cover the cost of the equity securities purchased for the client.

For the years 2024 and 2023, receivable from non-customer is categorized as beyond 14 days past due but not impaired.

Movements of the allowance for credit losses follow:

	Note	2024	2023
Beginning balance, January 1		729,266	639,650
Provision of credit losses	27	99,081	89,616
Balance, December 31		828,347	729,266

The table below shows the aging of receivables as of December 31, 2024 and 2023 respectively:

	2024	2023
Neither past due nor impaired		
0 to 3 days	-	72,592
3 to 13 days	-	-
	-	72,592
Past due but not impaired		
Beyond 14 days not more than 1 year	1,644,137	1,646,965
Beyond 1 year	-	-
	1,644,137	1,646,965
Total	1,644,137	1,719,556

9. Other Receivables

This account consists of the following:

	2024	2023
Account receivable-officers and employees	92,120	116,001
Account receivable -SSS	-	-
Accrued interest receivable	112,467	4,534
Account receivable -Others	-	-
Other receivables	204,588	120,535

10. Financial Assets at Fair Value Through Profit or Loss (FVPL)

Reconciliation of the carrying amount of financial assets at FVPL follows:

	2024	2023
Beginning balance at fair value	21,119,593	12,731,521
Buying	(4,035)	7,270,935
Selling		-
Change in fair value	(418,394)	1,117,137
Ending balance	20,705,234	21,119,593

Financial assets at FVPL represents the Company's investment in an equity securities being traded at the Philippine Stock Exchange and is carried at fair value. Fair value is based on the quoted market price at the PSE as at December 31, 2024 and 2023 or on the last trading day of the year.

In 2024, PSE shares were reclassified from financial assets at FVOCI to financial assets at FVPL. (Note 13)

Reconciliation of cost to fair value follows:

	2024	2023
Cost	36,665,292	36,661,257
Fair value adjustment	(15,960,058)	(15,541,664)
Fair value	20,705,234	21,119,593

Dividend revenue earned amounted to P1,160,549 in 2024 and P1,415,947 in 2023. (Note 26)

11. Prepayments and Other Current Assets

This account consists of the following:

	2024	2023
Office supplies	105,345	128,778
Prepaid income tax	122,748	119,431
Refundable deposits	110,000	110,000
Prepaid taxes and licenses	37,440	40,000
Prepaid insurance	38,448	38,448
Total	413,981	436,657

Prepayments and other current asset are expected to be utilized within the Company's normal operating cycle.

12. Deferred Input VAT

Deferred input tax represents the input tax attributable to purchases of capital goods that, based on current VAT regulations, is to be deferred and to be amortized monthly in equal amounts in sixty (60) months. The monthly amortization is to be used as credit in the output tax payable of the Company. The deferred input tax classified in the current asset represents the amount to be amortized in the next accounting period, while the amount in the non-current asset represents the input tax that is subject to amortization beyond twelve (12) months.

13. Financial Asset at Fair Value Through Other Comprehensive Income (FVOCI)

This account is consisted of:

	2024	2023
Investment in PSE (Quoted)	-	-
Investment in Golf Club share (Unquoted)	84,000	84,000
Total	84,000	84,000

Dividend income on financial asset at FVOCI amounted to nil in 2024 and 2023. (Note 26)

Investment in PSE shares were reclassified from financial assets at FVOCI to financial assets at FVPL in 2024. (Note 10)

Reconciliation between cost and fair value follows:

	Note	2024	2023
Cost		84,000	84,000
Fair value adjustments	20	-	-
Total		84,000	84,000

The fair value of the quoted equity securities is determined by reference to the quoted prices at the PSE as at December 31, 2024 and 2023 or on the last trading day of the year.

Financial asset at FVOCI pertaining to Golf club share is carried at cost since Management has estimated that the best evidence of the fair value of the club shares is the transaction price upon its initial recognition.

The movement of this account is as follows:

	Note	2024	2023
Beginning balance		(13,153,398)	84,000
Reclassification of PSE shares	10	(207,343)	(207,343)
Changes in fair value	20	(13,030,055)	(13,030,055)
		(26,390,796)	(13,153,398)

14. **Property and Equipment, Net**

Property and equipment are summarized as follows:

	Office Fixtures and Equipment	Transportation equipment	Leasehold improvement	Condominium	Total
<u>Cost</u>					
January 1, 2023	2,823,916	1,386,364	2,438,074	12,748,957	19,397,311
Acquisition/s	42,946	-	-	-	42,946
December 31, 2023	2,866,862	1,386,364	2,438,074	12,748,957	19,440,257
Acquisition/s	4,911	-	-	-	4,911
December 31, 2024	2,871,773	1,386,364	2,438,074	12,748,957	19,445,168
<u>Accumulated depreciation</u>					
January 1, 2023	2,731,803	1,386,361	1,949,381	1,357,764	7,425,310
Depreciation	134,646	-	360,244	229,481	724,371
December 31, 2023	2,731,803	1,386,361	1,949,381	1,357,764	8,149,680
Depreciation	138,151	-	488,693	458,963	1,085,807
December 31, 2024	2,869,955	1,386,361	2,438,074	1,816,727	8,511,117
<u>Net book value</u>					
December 31, 2024	1,818	3	-	10,932,230	10,934,051
December 31, 2023	135,059	3	488,693	11,391,192	11,290,577

Property and equipment includes fully depreciated items in 2024 and 2023 which are still being used. These are as follows:

	Fixtures and Equipment	Transportation equipment	Total
<u>2024</u>			
Cost	2,866,862	1,386,364	4,253,226
Accumulated Depreciation	(2,731,803)	(1,386,361)	(4,118,164)
<u>2023</u>			
Cost	2,735,080	1,386,364	4,121,444
Accumulated depreciation	(2,580,179)	(1,386,361)	(3,966,540)
Net book value, 2024	135,059	3	135,062
Net book value, 2023	154,901	3	154,904

15. Trade Payables

Trade payables pertains to:

	2024		2023	
Ratio of market value of securities to debit balances	Credit balances	Market value of securities	Credit balances	Market value of securities
Free				
With money balances	117,765,891	491,745,876	33,359,443	561,912,930
No money balances	-	146,055,634	-	118,443,393
Payables to customers	117,765,891	637,801,510	33,359,443	680,356,323
Payables to clearing house	-	-	405,331	-
Payables to brokers	-	-	-	-
Total	117,765,891	637,801,510	33,764,774	680,356,323

Trade payables are usually due within 2 days (3 days in 2022) and 31 days from transaction date and do not bear any interest.

Payable to clearing house pertains to the Company's payable to Securities Clearing Corporation of the Philippines (SCCP). "Payable to clearing house" arises when total buying transactions, i.e. shares of stock sold by customers exceeds total selling transactions within the last two trading days of the year (three days in 2022).

16. Payable to Non-customers

Payable to non-customers amounts to P203,182 in 2024 and P195,452 in 2023. This account is composed of dormant or inactive accounts, and stale checks

17. Other Current Liabilities

This account consists of the following:

	2024	2023
Accrued expenses	5,274,277	5,276,343
Bonds payable to employees	78,400	93,700
Withholding taxes payable	8,626	9,039
Other payable	-	24,768
Total	5,361,303	5,403,850

Accrued expenses is composed of accruals of the following:

	Note	2024	2023
Management fee	18	382,500	382,500
Rental		1,183,024	1,184,058
Other accrued expenses		3,708,752	3,709,785
Total		5,274,277	5,276,343

Other current liabilities are expected to be settled within the next operating cycle of the Company.

18. Related Party Transactions

The Company's transactions with related parties involve the individual shareholders and the company's key management personnel such as compliance officer, operation manager and chief accountant. Salaries and other benefits accrued and paid to key management as follows:

	Note	2024	2023
Salaries		-	-
13th month pay and other benefits		-	-
Management fees	17	-	-
Total		-	-

The Management Contract for the management fee is between Mr. Ignacio B. Gimenez and the Company with a fixed monthly fee of P50,000 for managing the operation of the Company. The Contract is effective since 2011. In 2024 and 2023, no related party management fee was accrued or paid.

Due to Related Parties

The movement of this account as follows:

	2024	2023
Balance, January 1	22,612,365	22,612,365
Write-off	-	-
Balance, December 31	22,612,365	22,612,365

This account represents the balances of the advances made by the related parties of the Company that in turn, was used by the Company for their operations.

Details of Due to related parties are shown below:

	Relationship	2024	2023
Ecology Star Realty, Inc.	Affiliate/ Common director/officer	6,200,681	6,200,681
Janus Mutual Management, Inc.	Stockholder	16,411,684	16,411,684
Total		22,612,365	22,612,365

Due to related parties is non-interest bearing with no collaterals from the Company to the related parties involved. These are payable in cash and has no fixed-term of payments.

Affiliate refers to company with common directors/officers who have significant influence on both entities.

19. Share Capital

The details of the Company's share capital are shown below, thus:

	2024	2023
Authorized - par value, P100 per share:		
500,000 shares	P50,000,000	
Issued and outstanding shares		
307,500 shares	30,750,000	30,750,000

The issued and outstanding shares of the Company were issued to ten (10) shareholders and six (6) shareholders of which own 100 or more shares each.

20. Net Unrealized Gain on Financial Assets at FVOCI

Movement of this account follows:

	Gross (Note 13)	Tax effect (Note 29)	Net
January 1, 2023	13,030,055	3,257,514	13,354,179
Adjustment due to changes in tax rates	-	-	-
Unrealized loss during the year	(13,030,055)	(3,257,514)	(3,581,638)
December 31, 2023	-	-	9,772,542
Unrealized loss during the year	(13,030,055)	(3,257,514)	(9,772,542)
December 31, 2024	(13,030,055)	(3,257,514)	(9,772,541)

21. Unrecognized Actuarial Gain on Retirement Liability

Unrecognized actuarial gain are on retirement obligation that includes effects of differences between previous actuarial assumptions and what has actually occurred.

Movement of the account is as follows:

	Gross Gain/(Loss) (Note 28)	Tax effect (Note 29)	Net
Balance, January 1, 2023	194,170	48,545	145,627
Amount recognized in comprehensive income	(211,959)	(52,990)	(158,969)
Adjustments due to changes in tax rates	-	-	-
Balance, December 31, 2023	(17,789)	(4,445)	(13,342)
Amount recognized in comprehensive income	(3,122)	(780)	(2,342)
Balance, December 31, 2024	(20,911)	(5,225)	(15,684)

22. Retained Earnings

As mentioned in Note 6, the Securities and Exchange Commission on November 11, 2004 has issued SEC memorandum Circular No. 16, Series of 2004 which approved the adoption of RBCA for Broker Dealers. Rule 49.1 (B) "Reserve Fund" of the RBCA. This provides that (1) every Broker Dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to the Appropriated Retained Earnings account. Appropriation shall be 30%, 20%, 10% of profit after tax for broker dealers with unimpaired paid-up capital between P10,000,000 to 30,000,000, between P30,000,000 to 50,000,000 and above P50,000,000 respectively, (2) the amount appropriated shall not be available for payment of dividends, (3) where in any financial year the Broker Dealer's paid up capital is impaired, the Broker Dealer is required to transfer from Appropriated Retained Earnings to the capital account an amount equivalent to the impairment, such amount so transferred out shall not be available for payment of dividend, (4) consistent with the general usage under SRC Rule 28.1 (E) (v), the term "Unimpaired Paid Up Capital" shall refer to the firm's Total Paid Up Capital less any deficiency in the Retained Earnings account, (5) a Broker Dealer may submit to the Commission for approval its own capital build up plan in lieu of the requirements of this provision, (6) notwithstanding the requirements of this section, the Commission may prescribe a different capital build up plan for all Broker Dealers, specifically those incurring net losses during the period, which may include the programmed infusion of fresh capital.

The Company appropriated P1,459,850 in 2024 and P2,488,664 in 2023. As at December 31, 2024 and 2023 the total appropriated retained earnings under this rule amounted to P11,753,265.

23. Income per Share

The computation of earnings per share follows:

	2024	2023
Net income	7,299,251	12,443,319
Weighted average number of shares		
Issued and outstanding	307,500	307,500
Income/(loss) per share	23.74	40.47

24. Personnel Cost

The breakdown of personnel costs is as follows:

	Notes	2024	2023
Salaries and wages		562,972	2,757,078
13th month and other benefits		180,223	638,223
Total		743,194	3,395,301
Less: Charged as part of			
direct operating cost	25	2,078,756	588,348
Total charged as part of			
operating expenses	27	2,821,950	2,806,952

25. Cost of Services

The breakdown of cost of services follows:

	Note	2024	2023
Personnel costs -operations	24	743,194	588,348
Commission expenses		9,857	238,043
Stock exchange dues and fees		453,323	374,793
Central depository fees expense		65,373	72,195
Total		1,271,747	1,273,380

Breakdown of Personnel cost-operations:

	Note	2024	2023
Salaries and wages- operations		562,972	447,585
Employees retirement cost	28	63,890	56,399
SSS contribution - operations		52,535	38,330
13th month & compensation-related benefits		43,121	34,792
Philhealth contribution- operations		13,729	8,143
HDMF fund contribution - operations		5,600	2,400
Employee welfare-operations		438	-
EC- contributions - operations		910	700
Total		743,193	588,348

26. Other Revenues

The breakdown of other income follows:

	Note	2024	2023
Dividends	10,13	1,160,549	1,415,947
Interests	7	3,856,969	1,498,818
Gain/(Loss) on Sale of AFS		5,808	-
Total		5,023,326	2,914,764

27. Operating Expenses

The breakdown of operating expenses follows:

	Note	2024	2023
Personnel costs - Administrative	24	2,821,950	2,806,952
Depreciation	14	361,437	724,371
Rent	30	321,429	321,429
Communication and utilities		287,195	234,510
Condominium dues and fees		354,351	225,460
Contractual services		163,534	210,907
Taxes and licenses		146,756	152,845
Professional fee		98,584	112,926
Office supplies		150,882	111,863
Provision for credit losses	8	-	89,616
Repairs and maintenance		98,962	75,686
Gas and oil		72,946	69,882
Transportation and travel		47,419	46,268
Trainings and seminars		11,106	10,786
Advertisement		2,590	-
Miscellaneous expenses		274,349	144,970
Total		5,213,489	5,338,469

Breakdown of Personnel cost - Administrative

	Note	2024	2023
Salaries and wages- operations		2,257,538	2,309,493
13th month & compensation		138,426	141,857
SSS contribution - operations		170,905	160,705
Employees retirement cost	28	149,076	131,597
Philhealth contribution		40,638	34,178
Employee welfare		48,627	18,602
HDMF fund contribution		14,400	8,200
EC- contributions - operations		2,340	2,320
Total		2,821,950	2,806,952

28. Retirement Benefits

Post-Employment Plan

The Company's retirement plan is non-contributory and of the defined benefit type which provides a retirement benefit equal to 22.5 days pay for every year of credited service in accordance with the Retirement Pay Law (Republic Act No. 7641).

The Company does not have a formal retirement plan and therefore has no plan assets to match against the liabilities under the retirement obligation. Since the Company does not have a formal retirement plan, benefit claims under the retirement obligation are paid directly by the Company when they become due.

It should be noted that the expense required to be recognized under PAS 19R is not the recommended amount of contribution to the Retirement Fund. That is, the recommended contributions to support the Plan benefits may require a separate valuation for funding purposes

(Funding Valuation). The reason for this is that the respective valuations use different interest rates to discount future benefits, in that the Funding valuation uses the actual and expected performance of the Retirement Fund while the Amended PAS 19(R) Valuation uses risk-free market rates regardless of the Retirement Fund's performance.

Employee Profile

The number of employees covered in the valuation were 9 in 2024 and 8 in 2023. The average age of the whole group was 46.6 in 2024 and 47.2 in 2023. The average years of service were 18.3 in 2024 and 19.5 in 2023. The annual covered payroll was computed at P2,335,519 in 2024 and P2,082,654 in 2023.

Changes in Present Value of the Pension Obligation

	2024	2023
Present Value of Obligation, beginning	1,976,362	1,576,408
Interest Cost	118,977	111,925
Current Service Cost	93,989	76,070
Actuarial (gain)/loss on;		
Changes in financial assumptions	(14,942)	154,947
Changes in demographic assumptions	-	-
Experience	18,064	57,012
Present Value of Obligation, ending	2,192,450	1,976,362

Changes in the Fair Value of Plan Assets

The Company does not have a formal retirement plan and therefore has no plan assets to match against the liabilities under the retirement obligation.

Liability Recognized in the Statement of Financial Position

	2024	2023
Present Value of Obligation, ending	2,192,450	1,976,362
Fair Value of Plan Assets, ending	-	-
Unfunded Obligation	2,192,450	1,976,362
Asset Ceiling Adjustment	-	-
Liability, ending	2,192,450	1,976,362

Amount to be Recognized in Profit or Loss

	2024	2023
Current Service Cost	76,070	76,070
Net Interest Cost	111,925	111,925
Total	187,995	187,995

Amount to be Recognized in Other Comprehensive Income (OCI)

Actuarial loss or gain to be recognized in other comprehensive income is P3,122 and P211, 959 for the years 2024 and 2023, respectively. (Note 21)

Movement in Net Defined Liability

	2024	2023
Opening Net Liability	1,976,362	1,576,408
Amount to be Recognized in Profit or Loss	187,995	187,995
Amount to be Recognized in Other Comprehensive Income	211,959	211,959
Closing Net Liability	2,376,316	1,976,362

Breakdown of Actuarial (Gain)/ Loss on Obligation

	2024	2023
Cummulative, beg.	(194,170)	(194,170)
Due to change in financial assumption	154,947	154,947
Due to change in demographic assumptions	-	-
Due to experience	57,012	57,012
Cummulative, end	211,959	211,959
Actuarial (Gain)/ Loss - Obligation	17,789	17,789

Principal Actuarial Assumptions

	2024	2023
Discount Rate	6.02%	7.10%
Salary Increase Rate	2.50%	2.50%

Average Future Working Years of Service

The average remaining working life for 2024 is 13.4 and 2023 is 12.8.

Expected Future Benefit Payments as of December 31, 2024

1 year and less	-
more than 1 year to 5 years	327,741
years 6 - 10	2,141,580

Sensitivity Analysis of Defined Benefit Obligation as of:

2024

Decrease in DBO due to 100 bps increase in discount rate	(141,478) ;	(6.5%)
Increase in DBO due to 100 bps decrease in discount rate	156,658 ;	7.1%
Increase in DBO due to 100 bps increase in salary increase rate	160,841 ;	7.3%
Decrease in DBO due to 100 bps decrease in salary decrease rate	(147,590) ;	(6.7%)
Increase in DBO, no attrition rates	22,298 ;	1.0%

2023

Decrease in DBO due to 100 bps increase in discount rate	(144,055) ;	(7.3%)
Increase in DBO due to 100 bps decrease in discount rate	160,244 ;	8.1%
Increase in DBO due to 100 bps increase in salary increase rate	164,367 ;	8.3%
Decrease in DBO due to 100 bps decrease in salary decrease rate	(150,131) ;	(7.6%)
Increase in DBO, no attrition rates	20,802 ;	1.1%

29. Income Taxes

Income tax benefit consists of the following:

	2024	2023
Current:		
Regular corporate income tax	(1,546,523)	-
Final tax on interest income	771,569	291,940
Total current	(774,954)	291,940
Deferred:		
Provision for retirement benefits	(53,242)	(46,999)
Net Operating Loss Carry Over (NOLCO)	(1,408,738)	(1,391,443)
Unrealized loss on financial assets at fair value through profit or loss	-	279,284
Financial asset at FVOCI		
Provision for allowances for impairment	(24,770)	(22,404)
Adjustments on DTA and DTL	(6,382,287)	(13,365,178)
Total deferred	(7,869,037)	(14,546,739)
Total income tax benefit	(8,643,990)	(14,254,799)

The reconciliation between the income tax in 2024 and 2023 on profit before income tax and income tax benefit follows:

	2024	2023
Tax loss before income tax	(336,185)	(452,870)
Adjustments for income subject to lower tax rates	(192,673.05)	(82,764)
Adjustments in DTA/DTL	(7,824,995)	(13,365,178)
Tax effect on:		
Non-taxable income		
Dividend income	(290,137)	(353,987)
Non-deductible expense	-	-
Total	(8,643,990)	(14,254,799)

CREATE Act

On March 26, 2021, the Republic Act (RA) 11534, known as “The Corporate Recovery or Tax incentives for Enterprises Act” (Create Act), was passed into law. The salient provisions of the Create Act applicable to the Company are as follow:

1. Effective July 1, 2020, the corporate income tax rate is reduced from 30% to 20% for domestic corporations with net taxable income not exceeding P5,000,000 and with total assets not exceeding P100,000,000, excluding land on which the particular business entity’s office, plant, and equipment are situated during the taxable year for which the tax is imposed at 20%. All other domestic corporations and resident foreign corporations will be subject to 25% income tax;
2. Minimum corporate income tax (MCIT) rate reduced from 2% to 1% effective July 1, 2020, to June 30, 2023;
3. Percentage tax reduced from 3% to 1% effective July 1, 2020, to June 30, 2023; and
4. The imposition of improperly accumulated earnings is repealed.

Deferred Tax Asset(Liability), Net

The components of deferred tax liability, net follows:

	2024	2023
Deferred tax assets:	7,799,442	
Carryover benefits of NOLCO	6,168,109	4,759,371
Retirement benefits	548,113	494,091
Allowance for credit losses	231,857	182,317
Excess Minimum Corporate Income Tax (MCIT)	36,978	51,468
Financial assets at FVPL	3,990,014	3,885,416
Total deferred tax assets	18,774,512	9,372,663
Deferred tax liability:		
Unrealized gain on financial assets at FVOCI	-	-
Deferred tax asset/(liability), net	18,774,512	9,372,663

The future tax benefits of the deferred income tax asset will be realized upon write-off and/or upon realizing a positive taxable net income.

Minimum Corporate income tax (MCIT) of 2% of the gross income as defined in Republic Act No. 8424 is imposed when MCIT is greater than the Normal Corporate Income Tax.

The carryover benefit of MCIT is presented below:

Year incurred	Validity	MCIT	Applied	Expired	Excess MCIT
2020	2023	9,155	-	9,155	-
2021	2024	14,490	-	14,490	-
2022	2025	36,978	-	-	36,978
Total		60,623	-	23,645	36,978

The carryover benefit of NOLCO is presented below:

Year incurred	Validity	NOLCO	Expired	Applied	Amount	Deferred Tax Asset
2020	2025	6,186,078	-	-	6,186,078	1,546,520
2021	2026	5,642,278	-	-	5,642,278	1,410,570
2022	2025	1,643,356	-	-	1,643,356	410,839
2023	2026	5,565,771	-	-	5,565,771	1,391,443
2024	2027	5,634,951			5,634,951	1,408,738
Total NOLCO and Deferred tax asset					24,672,434	6,168,109

As provided by BIR Revenue Regulations No. 25-2020 (Section 4) dated September 30, 2020, the business or enterprise which incurred net operating loss for taxable years 2020 and 2021 shall be allowed to carry over the same as a deduction from its gross income for the next five (5) consecutive taxable years immediately following the year of such loss. The net operating loss for said taxable years may be carried over as a deduction even after the expiration of RA No. 11494 provided the same are claimed within the next five (5) consecutive taxable years immediately following the year of such loss.

Under the National Internal Revenue Code (NIRC) of 1977, the income tax liability of Corporations shall be the higher between RCIT and the Minimum Corporate Income Tax (MCIT). MCIT is computed at 2% of the modified gross income. Any excess of the MCIT over the RCIT is deferred and can be used as a tax credit against future income tax liability for the next three years.

30. Lease Arrangements

Lease as Lessee

The Company has entered into a lease agreement, renewable every year. The cancelable lease contract is for one year with an option to renew the contract after the lease term upon mutual agreement of both parties. The escalation clause applicable to this lease contract is ten percent (10%) yearly increase.

Rent expense recognized in the profit or loss amounted to P321,429 both in 2024 and 2023.

31. Approval of Financial Statements

The financial statements of the Company for the year ended December 31, 2024 including the comparatives for the year ended December 31, 2023 were authorized for issue by the Board of Directors on April 30, 2025.

32. Supplementary Information Required by the Bureau of Internal Revenue

Revenue Regulations No. 15-2010

The following information on taxes, duties and license fees paid or accrued during the year is presented for the purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements.

Value-Added Tax

		Output tax	
		2024	2023
Commission revenue	12%	101,085	101,085
Gain on sale of financial asset at FVPL	12%	-	-
Output VAT for the year		101,085	621,443
		Input tax	
		2024	2023
Current year's purchases:			
Domestic purchases			
of goods other than capital goods	12%	22,952	34,581
Domestic purchases of services	12%	142,230	128,720
Services booked under other accounts	12%	-	101,767
Input VAT for the year		165,183	265,068

Withholding Taxes

	2024	2023
Tax withheld by the company on:		
Compensation	75,910	75,910
Expanded	56,766	56,766
	132,675	132,675

Taxes and Licenses

	Date	O.R Number	2024	2023
Municipal taxes, licenses and permits	various	various	74,003	45,897
Broker/dealer/ salesmen license renewal	various	various	40,440	38,450
Other taxes and licenses	various	various	38,402	158,207
Total taxes and licenses paid			152,845	242,554

As of December 31, 2024, the Company has no pending tax assessment and litigation.

34. Supplementary Disclosure Arising from Non-cash Transaction from Operating and Investing Activities

Non-cash transaction amounting to P3,572,522 pertains to the reclassification of investment in PSE shares from financial assets at FVOCI to financial assets at FVPL.

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I.B. GIMENEZ SECURITIES, INC.

**STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
DECEMBER 31, 2024**

There are no subordinated liabilities to claims of general creditors and no changes were presented as required under Rule 52.1-5 of the Securities Regulation Code.

Schedule 1

LB GIMENEZ SECURITIES, INC.
RISK-BASED CAPITAL ADEQUACY WORKSHEET

December 31, 2024

Assets	205,510,285
Liabilities	148,135,192
Equity as per books	57,375,093
Adjustments to Equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated Liabilities	
Unrealized Gain / (Loss) in proprietary accounts	
Deferred Income Tax	(18,774,512)
Revaluation Reserves	
Deposit for Future Stock Subscription (No application with SEC)	
Minority Interest	
Total Adjustments to Equity per books	(18,774,512)
Equity Eligible For Net Liquid Capital	38,600,581
Contingencies and Guarantees	
Deduct: <u>Contingent Liability</u>	
<u>Guarantees or indemnities</u>	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets (net)	396,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	10,934,051
d. All Other Current Assets	168,008
e. Securities Not Readily Marketable	
f. Negative Exposure (SCCP)	2,320
g. Notes Receivable (non-trade related)	
h. Interest and Dividends Receivables outstanding for more than 30 days	
i. <u>Ineligible Insurance claims</u>	
j. <u>Ineligible Deposits</u>	
k. Short Security Differences	
l. Long Security Differences not resolved prior to sale	
m. Other Assets including Equity Investment in PSE	15,202,777
Total ineligible assets	26,703,157
Net Liquid Capital (NLC)	11,897,424
Less:	
<u>Operational Risk Reqt (Schedule ORR-1)</u>	1,064,076
<u>Position Risk Reqt (Schedule PRR-1)</u>	4,071,436
<u>Counterparty Risk (Schedule CRR-1 and detailed schedules)</u>	
Large Exposure Risk (Schedule LERR-1, LERR-2, LERR-3)	
LERR to a single client (LERR-1)	
LERR to a single debt (LERR-2)	
LERR to a single issuer and group of companies (LERR-3)	248,026
Total Risk Capital Requirement (TRCR)	5,383,538
Net RBCA Margin (NLC-TRCR)	6,513,886
Liabilities	148,135,192
Add: Deposit for Future Stock Subscription (No application with SEC)	
Less: Exclusions from Aggregate Indebtedness	
<u>Subordinated Liabilities</u>	
<u>Loans secured by securities</u>	
<u>Loans secured by fixed assets</u>	
<u>Others</u>	-
Total adjustments to AI	
Aggregate Indebtedness	148,135,192
5% of Aggregate Indebtedness	7,406,760
Required Net Liquid Capital (> of 5% of AI or P5M)	5,000,000
Net Risk-based Capital Excess / (Deficiency)	6,897,424
Ratio of AI to Net Liquid Capital	1245%
RBCA Ratio (NLC / TRCR)	221%

Schedule 2

I.B. GIMENEZ SECURITIES, INC.

**INFORMATION RELATING TO THE POSSESSION OR CONTROL
REQUIREMENTS UNDER SRC RULE 49.2-1 ANNEX 49.2 - A
DECEMBER 31, 2024**

Customers' fully paid securities and excess margin securities not in the broker's or dealer's possession or control as of the report date 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	N/A
------------------	-----

Number of items	N/A
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Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as part 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	N/A
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Number of items	N/A
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I.B. GIMENEZ SECURITIES, INC.

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER ANNEX G OF SRC RULE 49.2 ANNEX 49.2 – B
DECEMBER 31, 2024**

	CREDITS	DEBITS
Free credit balances and other credit peso balances in customer's security account	P 116,296,695	
Debit balances in customers cash or margin accounts excluding unsecured accounts doubtful of collection		1,466,341
Receivale from/ payable to clearing house	-	-
TOTALS	P 116,296,695	P 1,231,795
Excess of credit balances over debit balances		115,064,900
Required Reserve (105%)		115,064,900
"Special Reserved Bank Account"		121,824,303
Additional deposit required		-

Schedule 4

I.B. GIMENEZ 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**

During the current year audit, no material inadequacies were found to exist or found to have existed since the date of the previous audit.

I.B. GIMENEZ SECURITIES, INC.

**RESULTS OF MONTHLY SECURITIES COUNT CONDUCTED PURSUANT TO
SRC RULE 52.1-10, AS AMENDED, AS OF THE DATE OF THE STATEMENTS
OF FINANCIAL CONDITION IN THE ANNUAL AUDITED FINANCIAL
STATEMENTS
DECEMBER 31, 2024**

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

Schedule 6

I.B. GIMENEZ SECURITIES, INC.

SECURITIES POSITION REPORT

As of December 31, 2023

			CUSTOMERS ACCOUNT		DEALER'S/INVESTMENT		WITH CLEARING		IN BOX		TRANSFER OFFICE		IN PCD	
Market Price	PSE	CODE	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value	No. of Shares	Market Value
1.6100	1.6100	AAA	222,800	358,708		-							222,800	358,708.00
0.0000	0.0000	AAO	686,900	-		-							686,900	-
5.4400	5.4400	AB	577	3,139		-							577	3,138.88
0.5300	0.5300	ABA	142,000	75,260		-							142,000	75,260.00
26.2000	26.2000	ABG	3,000	78,600		-							3,000	78,600.00
4.2000	4.2000	ABS	310,563	1,304,365		-							310,563	1,304,364.60
3.8000	3.8000	ABSP	1,300	4,940		-							1,300	4,940.00
599.0000	599.0000	AC	5,634	3,374,766		-							5,634	3,374,766.00
1.7800	1.7800	ACE	52,157,527	92,840,398		-							52,157,527	92,840,398.06
4.0000	4.0000	ACEN	21,094,203	84,376,812		-							21,094,203	84,376,812.00
0.0000	0.0000	ACMB	1,900,000	-		-							1,900,000	-
0.4600	0.4600	ACR	15,000	6,900		-							15,000	6,900.00
34.3500	34.3500	AEV	42,079	1,445,414		-							42,079	1,445,413.65
9.0000	9.0000	AGI	114,600	1,031,400		-							114,600	1,031,400.00
0.0000	0.0000	AJ	701,813	-	54,447	-							756,260	-
0.3650	0.3650	ALCO	339,410	123,885		-							339,410	123,884.65
26.2000	26.2000	ALI	412,422	10,805,456		-							412,422	10,805,456.40
0.1330	0.1330	ALLDY	6,214,000	826,462	324,000	43,092.00							6,538,000	869,554.00
1.7000	1.7000	ALLHC	2,344,000	3,984,800		-							2,344,000	3,984,800.00
1.2000	1.2000	ALTER	15,000	18,000		-							15,000	18,000.00
0.5100	0.5100	ANI	15,000	7,650		-							15,000	7,650.00
13.6800	13.6800	ANS	69,870	955,822		-							69,870	955,821.60
37.7000	37.7000	AP	85,300	3,215,810		-							85,300	3,215,810.00
0.1850	0.1850	APC	710,000	131,350		-							710,000	131,350.00
0.0040	0.0040	APL	17,761,000	71,044		-							17,761,000	71,044.00
0.4500	0.4500	APO	126,205	56,792		-							126,205	56,792.25
8.3200	8.3200	APVI	3,641	30,293		-							3,641	30,293.12
3.4500	3.4500	APX	175,314	604,833		-							175,314	604,833.30
0.0046	0.0046	AR	70,400,000	323,840		-							70,400,000	323,840.00
0.5100	0.5100	ARA	175,138	89,320		-							175,138	89,320.38
37.9500	37.9500	AREIT	162,100	6,151,695		-							162,100	6,151,695.00
1.0300	1.0300	ASLAG	30,000	30,900		-							30,000	30,900.00
4.3800	4.3800	AT	4,685,216	20,521,246		-							4,685,216	20,521,246.08
17.0000	17.0000	ATI	55,331	940,627		-							55,331	940,627.00
0.5200	0.5200	ATN	923,000	479,960		-							923,000	479,960.00
61.5000	61.5000	AUB	90,885	5,589,428		-							90,885	5,589,427.50
2.5900	2.5900	AXLM	1,463,000	3,789,170	273,300	707,847.00							1,736,300	4,497,017.00
0.3600	0.3600	BALAI	160,000	57,600		-							160,000	57,600.00
3.9700	3.9700	BC	75	298		-							75	297.75
144.0000	144.0000	BDO	67,141	9,668,304		-							67,141	9,668,304.00
0.0000	0.0000	BE	500,000	-		-							500,000	-
1.6600	1.6600	BEL	6,155,364	10,217,904		-							6,155,364	10,217,904.24
0.0000	0.0000	BF	8	-		-							8	-
0.0740	0.0740	BHI	360,000	26,640		-							360,000	26,640.00
0.9900	0.9900	BKR	87,300	86,427		-							87,300	86,427.00
4.5800	4.5800	BLOOM	733,900	3,361,262		-							733,900	3,361,262.00
52.0000	52.0000	BMM	1,100	57,200		-							1,100	57,200.00
6.7500	6.7500	BNCOM	500	3,375		-							500	3,375.00
122.0000	122.0000	BPI	49,997	6,099,634		-							49,997	6,099,634.00
0.5600	0.5600	BRN	253,226	141,807		-							253,226	141,806.56
0.1400	0.1400	BSC	1,261,046	176,546		-							1,261,046	176,546.44
1.3100	1.3100	C	88,800	116,328	807,000	1,057,170.00							895,800	1,173,498.00
2.0400	2.0400	CAL	361,200	736,848		-							361,200	736,848.00
0.0000	0.0000	CB	12,640,000	-		-							12,640,000	-
63.5000	63.5000	CBC	36,382	2,310,257		-							36,382	2,310,257.00
0.6800	0.6800	CDC	18,881	12,839		-							18,881	12,839.08
0.0000	0.0000	CDCP	42,913	-		-							42,913	-
28.2500	28.2500	CEB	10,750	303,688		-							10,750	303,687.50
0.0560	0.0560	CEI	752,444	42,137		-							752,444	42,136.86
13.8000	13.8000	CEU	1,075	14,835		-							1,075	14,835.00
0.0000	0.0000	CGC	-	-	1	-							1	-
6.1200	6.1200	CHI	3,000	18,360		-							3,000	18,360.00
1.7800	1.7800	CHP	13,449	23,939		-							13,449	23,939.22
2.6500	2.6500	CLI	117,932	312,520		-							117,932	312,519.80
0.0000	0.0000	CM	-	-	400,000	-							400,000	-
0.0000	0.0000	CME	1,495,000	-		-							1,495,000	-
4.0000	4.0000	CMP	630	2,520		-							630	2,520.00
41.9500	41.9500	CNPF	12,150	509,693		-							12,150	509,692.50
16.1400	16.1400	CNVRG	1,567,300	25,296,222		-							1,567,300	25,296,222.00

0.0000	0.0000	CO	787	-	394	-							1,181	-
0.1540	0.1540	COAL	58,000	8,932		-							58,000	8,932.00
0.0000	0.0000	COB	12	-	3,555	-							3,567	-
5.3800	5.3800	COSCO	77,200	415,336		-							77,200	415,336.00
0.4200	0.4200	CPG	190,088	79,837		-							190,088	79,836.96
2.5000	2.5000	CPM	12,000	30,000		-							12,000	30,000.00
3.0500	3.0500	CREIT	1,700,000	5,185,000		-							1,700,000	5,185,000.00
1.7100	1.7100	CROWN	10,000	17,100		-							10,000	17,100.00
0.6500	0.6500	CTS	265,000	172,250		-							265,000	172,250.00
0.3300	0.3300	CYBR	949,134	313,214		-							949,134	313,214.22
10.2000	10.2000	DD	7,500	76,500		-							7,500	76,500.00
1.0300	1.0300	DDMPR	800	824		-							800	824.00
3.9000	3.9000	DELM	16,946	66,089		-							16,946	66,089.40
2.8500	2.8500	DFNN	6,100	17,385		-							6,100	17,385.00
1.6000	1.6000	DHI	416,685	666,696		-							416,685	666,696.00
1.6400	1.6400	DITO	713,460	1,170,074		-							713,460	1,170,074.40
2.0300	2.0300	DIZ	7,811	15,856		-							7,811	15,856.33
10.8200	10.8200	DMC	412,600	4,464,332		-							412,600	4,464,332.00
5.5200	5.5200	DMW	8,300	45,816		-							8,300	45,816.00
2.8600	2.8600	DNA	800	2,288		-							800	2,288.00
6.0900	6.0900	DNL	732,500	4,460,925		-							732,500	4,460,925.00
2.2100	2.2100	ECP	900	1,989		-							900	1,989.00
0.3100	0.3100	ECVC	81,980	25,414		-							81,980	25,413.80
3.6000	3.6000	EEL	155,054	558,194		-							155,054	558,194.40
0.0094	0.0094	EG	2,100,000	19,740		-							2,100,000	19,740.00
0.0000	0.0000	EIBA	120,176	-		-							120,176	-
0.1200	0.1200	ELI	3,208,116	384,974		-							3,208,116	384,973.92
18.0600	18.0600	EMI	17,400	314,244		-							17,400	314,244.00
5.0000	5.0000	ENEX	695,809	3,479,045		-							695,809	3,479,045.00
0.2550	0.2550	EVER	2,118,000	540,090		-							2,118,000	540,090.00
9.8500	9.8500	EW	18,000	177,300		-							18,000	177,300.00
0.0000	0.0000	FA	1,810,000	-		-							1,810,000	-
0.6500	0.6500	FAF	65,000	42,250		-							65,000	42,250.00
52.7500	52.7500	FB	29,320	1,546,630		-							29,320	1,546,630.00
0.0000	0.0000	FCCD	-	-	134	-							134	-
4.9400	4.9400	FDC	34,258	169,235		-							34,258	169,234.52
5.8700	5.8700	FFI	10,927	64,141		-							10,927	64,141.49
16.1200	16.1200	FGEN	62,995	1,015,479		-							62,995	1,015,479.40
2.9500	2.9500	FILRT	9,212	27,175		-							9,212	27,175.40
2.5000	2.5000	FJP	4,000	10,000		-							4,000	10,000.00
0.7300	0.7300	FLI	1,980,765	1,445,958		-							1,980,765	1,445,958.45
105.6000	105.6000	FMETF	1,000	105,600		-							1,000	105,600.00
0.0000	0.0000	FMF	-	-	572	-							572	-
80.0000	80.0000	FMIC	3,850	308,000		-							3,850	308,000.00
1.0400	1.0400	FNI	51,516	53,577		-							51,516	53,576.64
0.3800	0.3800	FOOD	1,158	440		-							1,158	440.04
59.0000	59.0000	FPH	24,559	1,448,981		-							24,559	1,448,981.00
0.2460	0.2460	FPI	1,301,000	320,046		-							1,301,000	320,046.00
0.6400	0.6400	FRUIT	105,000	67,200		-							105,000	67,200.00
0.0880	0.0880	GEO	736,635	64,824		-							736,635	64,823.88
0.0000	0.0000	GEOB	300,000	-		-							300,000	-
0.6400	0.6400	GERI	2,170,840	1,389,338	189,000	120,960.00							2,359,840	1,510,297.60
1.2000	1.2000	GHPB	20,000	24,000		-							20,000	24,000.00
2184.0000	2184.0000	GLO	7,615	16,631,160		-							7,615	16,631,160.00
6.1100	6.1100	GMA7	82,000	501,020		-							82,000	501,020.00
6.2600	6.2600	GMAP	3,000	18,780		-							3,000	18,780.00
5.9100	5.9100	GPH	1,580	9,338		-							1,580	9,337.80
0.0000	0.0000	GPM	100,000	-		-							100,000	-
0.1900	0.1900	GREEN	263,394	50,045		-							263,394	50,044.86
275.0000	275.0000	GSMI	1,300	357,500		-							1,300	357,500.00
658.0000	658.0000	GTCAP	350	230,300		-							350	230,300.00
3.3800	3.3800	HI	4,000	13,520		-							4,000	13,520.00
3.8700	3.8700	HLCM	2,000	7,740		-							2,000	7,740.00
0.0000	0.0000	HM	45,570,000	-	1,850,000	-							47,420,000	-
0.6400	0.6400	HOME	163,700	104,768		-							163,700	104,768.00
9.0900	9.0900	HOUSE	17,134	155,748		-							17,134	155,748.06
1.0500	1.0500	HTI	65,000	68,250	5,000	5,250.00							70,000	73,500.00
0.0000	0.0000	ICD	-	-	3	-							3	-
0.0000	0.0000	ICM	6,000,000	-		-							6,000,000	-
386.0000	386.0000	ICT	26,501	10,229,386		-							26,501	10,229,386.00
1.3000	1.3000	IDC	31,469	40,910		-							31,469	40,909.70
0.0000	0.0000	IDI	269	-		-							269	-
1.4900	1.4900	IMI	1,420,300	2,116,247		-							1,420,300	2,116,247.00
0.6300	0.6300	IMP	117,300	73,899		-							117,300	73,899.00
0.0000	0.0000	IN	384,430	-	50,000	-							434,430	-
0.0000	0.0000	INB	200,000	-		-							200,000	-
0.3000	0.3000	INFRA	413,000	123,900		-							413,000	123,900.00
0.8400	0.8400	ION	235,550	197,862		-							235,550	197,862.00
3.0000	3.0000	IPM	62,000	186,000		-							62,000	186,000.00
6.7900	6.7900	IPO	25,675	174,333		-							25,675	174,333.25
0.1440	0.1440	IS	3,405,440	490,383		-							3,405,440	490,383.36
0.0000	0.0000	JEL	10,000	-		-							10,000	-
269.0000	269.0000	JFC	56,111	15,093,859		-							56,111	15,093,859.00
20.5500	20.5500	JGS	52,632	1,081,588		-							52,632	1,081,587.60
2.2300	2.2300	KEEPR	41,230	91,943		-							41,230	91,942.90
2.7900	2.7900	KEP	5,183	14,461		-							5,183	14,460.57
16.4600	16.4600	KPH	1,984	32,657		-							1,984	32,656.64
0.4300	0.4300	KPP	637	274		-							637	273.91

1.2600	1.2600	KPPI	53,376,697	67,254,638		-									53,376,697	67,254,638.22
0.0670	0.0670	LC	3,749,087	251,189		-									3,749,087	251,188.83
0.0670	0.0670	LCB	632,870	42,402		-									632,870	42,402.29
1.5600	1.5600	LIB	90,500	141,180		-									90,500	141,180.00
2.7000	2.7000	LPZ	196,918	531,679		-									196,918	531,678.60
0.0000	0.0000	LRC	8,450,000	-	26,000	-									8,476,000	-
0.8600	0.8600	LSC	24,500	21,070		-									24,500	21,070.00
10.5000	10.5000	LTG	9,100	95,550		-									9,100	95,550.00
0.0030	0.0030	MA	160,904,709	482,714		-									160,904,709	482,714.13
0.0030	0.0030	MAB	4,599,152	13,797		-									4,599,152	13,797.46
5.4400	5.4400	MAC	219,080	1,191,795		-									219,080	1,191,795.20
0.8300	0.8300	MAH	45,500	37,765		-									45,500	37,765.00
0.6800	0.6800	MAHB	12,500	8,500		-									12,500	8,500.00
0.7500	0.7500	MARC	44,900	33,675		-									44,900	33,675.00
2.6700	2.6700	MAXS	2,700	7,209		-									2,700	7,209.00
0.0000	0.0000	MAY	21,100,000	-		-									21,100,000	-
0.1880	0.1880	MB	8,949	1,682		-									8,949	1,682.41
6.4000	6.4000	MBC	3,602	23,053		-									3,602	23,052.80
72.0000	72.0000	MBT	88,119	6,344,568	2,957	-	212,904.00								91,076	6,557,472.00
0.1200	0.1200	MED	70,000	8,400		-									70,000	8,400.00
0.3100	0.3100	MEDIC	114,000	35,340	1,027,000	-	318,370.00								1,141,000	353,710.00
2.0500	2.0500	MEG	1,005,280	2,060,824		-									1,005,280	2,060,824.00
488.0000	488.0000	MER	85,970	41,953,360		-									85,970	41,953,360.00
1760.0000	1760.0000	MFC	3,148	5,540,480		-									3,148	5,540,480.00
0.0940	0.0940	MG	217,340	20,430		-									217,340	20,429.96
0.0000	0.0000	MGH	744,810	-	1,990	-									746,800	-
0.1610	0.1610	MHC	5,000	805		-									5,000	805.00
0.0000	0.0000	MIA	11,726	-	457	-									12,183	-
0.0000	0.0000	MIB	457	-		-									457	-
1.2700	1.2700	MJC	150,052	190,566		-									150,052	190,566.04
1.0000	1.0000	MJIC	28,700	28,700		-									28,700	28,700.00
0.6000	0.6000	MM	95,000	57,000		-									95,000	57,000.00
0.0000	0.0000	MMC	825,947	-		-									825,947	-
0.0000	0.0000	MNR	7,600,000	-		-									7,600,000	-
0.0000	0.0000	MOM	500,000	-		-									500,000	-
8.6000	8.6000	MONDE	60,300	518,580		-									60,300	518,580.00
0.8400	0.8400	MRC	114,200	95,928		-									114,200	95,928.00
13.3400	13.3400	MREIT	60,700	809,738		-									60,700	809,738.00
1.2000	1.2000	MRSGL	39,000	46,800		-									39,000	46,800.00
5.3900	5.3900	MVC	117,273	632,101		-									117,273	632,101.47
27.0000	27.0000	MWC	24,500	661,500		-									24,500	661,500.00
2.4300	2.4300	MWIDE	69,491	168,863		-									69,491	168,863.13
0.0000	0.0000	NAS	300	-		-									300	-
0.0000	0.0000	NASB	100	-		-									100	-
0.3850	0.3850	NI	11,700	4,505		-									11,700	4,504.50
3.4900	3.4900	NIKL	34,200	119,358		-									34,200	119,358.00
0.5900	0.5900	NOW	145,300	85,727		-									145,300	85,727.00
0.6900	0.6900	NRCP	4,000	2,760		-									4,000	2,760.00

0.0000	0.0000	NXGEN	16,450	-		-						16,450	-
0.1330	0.1330	OM	374,032	49,746		-						374,032	49,746.26
0.0074	0.0074	OPM	57,764,251	427,455		-						57,764,251	427,455.46
0.0075	0.0075	OPMB	2,157,212	16,179		-						2,157,212	16,179.09
0.4400	0.4400	ORE	179,000	78,760		-						179,000	78,760.00
0.0075	0.0075	OV	77,523,976	581,430		-						77,523,976	581,429.82
1.6000	1.6000	PA	204,000	326,400		-						204,000	326,400.00
4.9500	4.9500	PAL	8,755	43,337		-						8,755	43,337.25
9.7000	9.7000	PBB	170,326	1,652,162		-						170,326	1,652,162.20
15.5800	15.5800	PBC	270	4,207		-						270	4,206.60
2.4300	2.4300	PCOR	525,098	1,275,988		-						525,098	1,275,988.14
0.0000	0.0000	PCP	1,385,905	-		-						1,385,905	-
0.0000	0.0000	PCPB	8,530	-		-						8,530	-
0.0000	0.0000	PDB	409	-		-						409	-
0.0000	0.0000	PDC	17,140	-		-						17,140	-
3.4500	3.4500	PERC	879,889	3,035,617		-						879,889	3,035,617.05
0.0000	0.0000	PFC	2,426	-		-						2,426	-
0.0000	0.0000	PGEO	550,000	-		-						550,000	-
30.8500	30.8500	PGOLD	6,000	185,100		-						6,000	185,100.00
0.1740	0.1740	PHA	264,996	46,109		-						264,996	46,109.30
0.0000	0.0000	PHC	6,000	-	70,500	-						76,500	-
0.2550	0.2550	PHES	168,000	42,840		-						168,000	42,840.00
19.0000	19.0000	PHN	9,111	173,109		-						9,111	173,109.00
0.5400	0.5400	PIR	94,000	50,760		-						94,000	50,760.00
1.7000	1.7000	PIP	1,300	2,210		-						1,300	2,210.00
7.9900	7.9900	PIZZA	3,000	23,970		-						3,000	23,970.00
27.1500	27.1500	PLUS	92,671	2,516,018		-						92,671	2,516,017.65
0.0000	0.0000	PMT	233,700	-	201,000	-						434,700	-
0.0000	0.0000	PN	12,260,000	-		-						12,260,000	-
27.7000	27.7000	PNB	33,380	924,626		-						33,380	924,626.00
0.0000	0.0000	PN-B	400,000	-		-						400,000	-
0.0000	0.0000	PNC	93	-	5,000	-						5,093	-
4.1700	4.1700	PNX	4,714	19,657		-						4,714	19,657.38
0.0000	0.0000	POD	3,466,735	-		-						3,466,735	-
0.0000	0.0000	PODB	2,568,500	-		-						2,568,500	-
10.6800	10.6800	PPC	46,500	496,620		-						46,500	496,620.00
7.0000	7.0000	PRC	18,294	128,058		-						18,294	128,058.00
0.0000	0.0000	PRH	200,000	-		-						200,000	-
2.1300	2.1300	PRIM	66,833	142,354		-						66,833	142,354.29
1.8100	1.8100	PRMX	24,500	44,345		-						24,500	44,345.00
58.2000	58.2000	PSB	(78,742)	(4,582,784)	83,781	4,876,054.20						5,039	293,269.80
164.0000	164.0000	PSE	119,331	19,570,284	10,000	1,640,000.00						129,331	21,210,284.00
0.0000	0.0000	PTT	107,000	-		-						107,000	-
2.7900	2.7900	PX	1,301,517	3,631,232		-						1,301,517	3,631,232.43
2.8700	2.8700	PXP	185,171	531,441		-						185,171	531,440.77
23.8500	23.8500	RCB	6,265	149,420		-						6,265	149,420.25
2.7200	2.7200	RCI	1,823	4,959		-						1,823	4,958.56
5.8500	5.8500	RCR	108,400	634,140		-						108,400	634,140.00
2.7500	2.7500	REG	10,721	29,483		-						10,721	29,482.75
3.8700	3.8700	RFM	201,377	779,329		-						201,377	779,328.99
0.0000	0.0000	RIZ	2,510,000	-		-						2,510,000	-
13.3000	13.3000	RLC	135,084	1,796,617		-						135,084	1,796,617.20
0.1200	0.1200	RLT	413,206	49,585		-						413,206	49,584.72
1.5100	1.5100	ROCK	89,192	134,680		-						89,192	134,679.92
1.4500	1.4500	ROX	20,616	29,893		-						20,616	29,893.20
0.0000	0.0000	RPC	324,143	-		-						324,143	-
36.0000	36.0000	RRHI	(653,120)	(23,512,320)	658,000	23,688,000.00						4,880	175,680.00
0.0000	0.0000	SA	1,004,861	-	40,000	-						1,044,861	-
0.0000	0.0000	SB	40,000	-		-						40,000	-
4.9500	4.9500	SBS	2,558	12,662		-						2,558	12,662.10
34.9000	34.9000	SCC	27,840	971,616		-						27,840	971,616.00
87.0000	87.0000	SECB	4,036	351,132		-						4,036	351,132.00
67.8000	67.8000	SEVN	12,750	864,450		-						12,750	864,450.00
0.0580	0.0580	SFI	137,646	7,983		-						137,646	7,983.47
1.6800	1.6800	SFIP	55,842	93,815		-						55,842	93,814.56
1.0300	1.0300	SGI	181,000	186,430		-						181,000	186,430.00
9.8000	9.8000	SGP	1,035,020	10,143,196	50,000	490,000.00						1,085,020	10,633,196.00
7.5000	7.5000	SHLPH	45,000	337,500		-						45,000	337,500.00
3.9400	3.9400	SHNG	41,962	165,330		-						41,962	165,330.28
3028.0000	3028.0000	SLF	1,595	4,829,660		-						1,595	4,829,660.00
2.9000	2.9000	SLI	7,900	22,910		-						7,900	22,910.00
899.0000	899.0000	SM	3,688	3,315,512		-						3,688	3,315,512.00

86.0000	86.0000	SMC	85,568	7,358,848		-						85,568	7,358,848.00
70.5000	70.5000	SMC2J	105,040	7,405,320		-						105,040	7,405,320.00
82.3000	82.3000	SMC2O	1,500	123,450		-						1,500	123,450.00
25.1500	25.1500	SMPH	158,120	3,976,718		-						158,120	3,976,718.00
0.1840	0.1840	SOC	125,000	23,000		-						125,000	23,000.00
9.0100	9.0100	SPC	166,100	1,496,561		-						166,100	1,496,561.00
1.5100	1.5100	SPM	21,628	32,658		-						21,628	32,658.28
1.0200	1.0200	SPNEC	722,871	737,328		-						722,871	737,328.42
3.1800	3.1800	SSI	386,000	1,227,480		-						386,000	1,227,480.00
1.3400	1.3400	STI	14,400	19,296		-						14,400	19,296.00
0.0000	0.0000	STN	207,079	-		-						207,079	-
1.4700	1.4700	STR	18,400	27,048		-						18,400	27,048.00
0.9000	0.9000	SUN	305,650	275,085		-						305,650	275,085.00
0.2900	0.2900	T	12,000	3,480		-						12,000	3,480.00
0.1350	0.1350	TBGI	110,000	14,850		-						110,000	14,850.00
1.3200	1.3200	TECH	59,128	78,049		-						59,128	78,048.96
1295.0000	1295.0000	TEL	16,454	21,307,930	2,799	3,624,705.00						19,253	24,932,635.00
63.1000	63.1000	TFHI	2,247	141,786		-						2,247	141,785.70
0.6200	0.6200	TUGS	2,009,000	1,245,580		-						2,009,000	1,245,580.00
36.0000	36.0000	UBP	17,439	627,804	132	4,752.00						17,571	632,556.00
0.2460	0.2460	UNI	537,200	132,151		-						537,200	132,151.20
0.0000	0.0000	UP	14,120,000	-	400,000	-						14,520,000	-
0.0028	0.0028	UPM	24,875,000	69,650		-						24,875,000	69,650.00
79.0000	79.0000	URC	3,476	274,604		-						3,476	274,604.00
0.7000	0.7000	V	41,232,750	28,862,925	273,000	191,100.00						41,505,750	29,054,025.00
0.0000	0.0000	VGM	2,600,000	-		-						2,600,000	-
0.5400	0.5400	VITA	20,000	10,800		-						20,000	10,800.00
1.4800	1.4800	VLL	277,525	410,737		-						277,525	410,737.00
2.0000	2.0000	VMC	210,907	421,814		-						210,907	421,814.00
1.8900	1.8900	VREIT	374,000	706,860	100,000	189,000.00						474,000	895,860.00
1.4000	1.4000	WEB	578,555	809,977		-						578,555	809,977.00
0.0000	0.0000	WEO	400,000	-		-						400,000	-
0.2110	0.2110	WIN	116,940	24,674		-						116,940	24,674.34
14.3000	14.3000	WLCON	19,400	277,420		-						19,400	277,420.00
0.0000	0.0000	WM	2,000,000	-		-						2,000,000	-
0.3750	0.3750	WPI	225,185	84,444		-						225,185	84,444.38
0.1820	0.1820	X	43,700	7,953		-						43,700	7,953.40
0.0000	0.0000	ZBM	930	-		-						930	-
0.0720		ZHI	126,000	9,072		-						126,000	9,072.00
		Unquoted	-	84,000								-	84,000.00
			819,181,615.00	622,823,254.92	6,910,022.00	37,169,204.20	-	-	-	-	-	826,091,637.00	659,992,459.12

I.B. Gimenez Securities, Inc.
December 31, 2024

Ratio	Formula	2024	2023
Current Ratio	Total Current Assets divided by Total Current Liabilities Total Current Assets 173,796,505.16 Divided by: Total Current Liabilities 145,942,741.80 Current Ratio 1.19	1.19	1.48
Acid test Ratio	Quick Assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities Total Current Assets 173,796,505.16 Less: Inventories - Other Current Assets 413,981.02 Quick Assets 173,382,524.14 Divide by: Total Current Liabilities 145,942,741.80 Acid test Ratio 1.19	1.19	1.47
Working Capital to Total Asset	Working Capital divided by Total Asset Working Capital 27,853,763.36 Divided by: Total Asset 205,510,285.18 0.14	0.14	0.26
Solvency Ratio	Total Debt Divided by Total Asset Net Income + Depreciation 7,660,688.07 Divided by: Total Liabilities 148,135,191.80 0.05	0.05	0.21
Debt to Equity Ratio	Total Debt divided by Total Equity Total Debt 148,135,191.80 Divided by: Total Equity 57,375,093.79 2.58	2.58	1.28
Asset to Equity Ratio	Total Asset divided by Total Equity Total Asset 205,510,285.18 Divided by: Total Equity 57,375,093.79 3.58	3.58	2.28
Return on Asset	Net Income divided by Average Assets Net Loss 7,299,251.32 Divided by: Average assets 155,647,342.99 0.05	0.05	0.11

Return on Equity	Net Income divided by Average Equity	0.14	0.25
	Net Loss 7,299,251.32		
	Divided by: Average equity <u>53,733,883.89</u> 0.14		
Profit Margin	Net Income/(Loss) Divided by: Revenue	13.63	15.45
	Net Loss 7,299,251.32		
	Divided by: Revenue <u>535,566.18</u> 13.63		
Gross Profit Margin	Net Income/(Loss) Divided by: Sales	(9.92)	(26.59)
	Net Loss 7,299,251.32		
	Divided by: Sales <u>(736,181.23)</u> (9.92)		
Interest Rate Coverage Ratio	EBIT divided by Interest expense	N/A	N/A
	Net Loss 7,299,251.32		
	Divided by: Interest Expense <u>-</u> -		