



SECURITIES AND EXCHANGE COMMISSION

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Company Information

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Company Type: Stock Corporation

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COVER SHEET
FOR
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

F I D E L I T Y S E C U R I T I E S I N C .

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

2	F		J	T	K	C		C	E	N	T	E	R
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Form Type

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Department Requiring the Report

C	R	M	D
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Secondary License Type, If Applicable

N	A
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COMPANY INFORMATION

Company's Email Address

info@fidelitysecinc.com

Company's Telephone Number/s

8818-6774

Mobile Number

09178824712

No. of Stockholders

8

Annual Meeting
Month/Day

LAST DAY OF APRIL

Fiscal Year
Month/Day

DECEMBER 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

CATHERINE C. TIU

Email Address

fidelitysecinc@yahoo.com

Telephone No/s

8818-6774

Mobile Number

09175273477

CONTACT PERSON'S ADDRESS

1246 ACACIA STREET DASMARIÑAS VILLAGE, MAKATI CITY

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

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

FIDELITY SECURITIES, INC.
ANNUAL AUDITED FINANCIAL REPORT
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FIDELITY SECURITIES, INC.

AUDITED FINANCIAL STATEMENTS

December 31, 2024 and 2023

and Report of Independent Auditors

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

ANNUAL AUDITED FINANCIAL REPORT

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

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

IDENTIFICATION OF BROKER

<i>Name of Broker:</i> Fidelity Securities, Inc.	
<i>Address of Principal Place of Business:</i> 2/F JTKC Center 2155 Chino Roces St.	
Makati City	
<i>Name and Phone Number of Person to Contact in Regard to this Report</i>	
<i>Name:</i> Lorna Venturina	<i>Tel. No.</i> 8818-6774
	<i>Fax No.</i> 8810-3536

IDENTIFICATION OF ACCOUNTANT

<i>Name of Independent Certified Public Accountant whose opinion is contained in this report:</i>	
<i>Name:</i> MARIA ANTONIETTE V. MARIANO-CRUZ	<i>Tel No.</i> 8893-8291
	<i>Fax No.</i>
<i>Address:</i> Suite 507 Cityland 10 Tower 1	
156 H.V. Dela Costa Street, Salcedo Village Makati Ctiy	
<i>Certificate Number</i> 109720	
<i>PTR Number</i> 6692527	<i>Date Issued</i> January 03, 2025

FIDELITY SECURITIES, INC.
STATEMENT OF MANAGEMENT RESPONSIBILITY
FOR FINANCIAL STATEMENTS

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

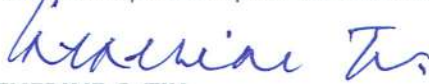
The management of Fidelity Securities, Inc. ("the Company") is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated 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 going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.


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

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

Mariano Caguete & Co, CPAs, the independent auditors appointed by the shareholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and its report to the shareholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



CATHERINE C. TIU
Chairman



BENJAMIN JOHN C. TIU
President



CATHERINE C. TIU
Treasurer

Signed this 20th day of March 2025



Mariano Caguete & Co.

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1209 H.V. Dela Costa
Makati City, Philippines
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+(63)2-88040867
www.mccpasph.com

REPORT OF INDEPENDENT AUDITORS

The Shareholders and the Board of Directors
Fidelity Securities, Inc.
2/F JTKC Center, 2155 Chino Roces St.
Makati City

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Fidelity Securities, Inc. 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 audits of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 statement 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.



Mariano Caguete & Co.

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

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2024 required by the Bureau of Internal Revenue as disclosed in Note 25 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRSs. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

MARIANO CAGUETE & CO. CPAs

Tax Identification No. 008-837-788-000

Firm's BOA Accreditation/PRC Cert. of Reg. No. 5612

Issued on August 13, 2023; Valid until August 12, 2026

BIR Accreditation No. 08-006268-000-2022

Issued on September 28, 2022; valid until September 27, 2025

By:


MARIA ANTONIETTE V. MARIANO-CRUZ

Partner Signing for the Firm

CPA License No. 109720

Tax Identification No. 924-998-281-001

BIR Accreditation No. 08-006268-005-2023

Issued on January 31, 2023; valid until January 30, 2026

P.T.R. No. 6692527, issued on January 03, 2025, Tarlac City

Makati City, Metro Manila

March 20, 2025

FIDELITY SECURITIES, INC.
STATEMENTS OF FINANCIAL POSITION

	Note	December 31					
		2024			2023		
		Security Valuation		Money Balance	Security Valuation		Money Balance
ASSETS		Money Balance	Long	Short	Long	Short	
Current Assets							
Cash and cash equivalents	5	P 21,550,906			P 20,431,701		
Financial assets at fair value through profit or loss (FVPL)	6	12,073,390	P 12,073,390		13,653,992	P 13,653,992	
Trade receivables	7, 19	27,270,036	99,631,405		23,685,915	149,197,457	
Other receivables	7	1,883,674			254,931		
Other current assets	8	318,605			399,417		
Total Current Assets		<u>63,096,611</u>			<u>58,425,956</u>		
Noncurrent Assets							
Financial assets at fair value through other comprehensive income (FVOCI)	9	27,880,000	27,880,000		28,900,000	28,900,000	
Property and equipment	10	28,861			17,518,699		
Investment property	11	16,598,029			-		
Trading right	12	8,000,000			8,000,000		
Deferred tax assets, net	18	778,512			-		
Total Noncurrent Assets		<u>53,285,402</u>			<u>54,418,699</u>		
TOTAL ASSETS		<u>P 116,382,013</u>			<u>P 112,844,655</u>		
Securities in Philippine Central Depository, Inc.			P 581,425,504			P 710,020,473	
LIABILITIES AND EQUITY							
LIABILITIES							
Current Liabilities							
Trade payables	13	P 38,054,925	441,840,709		P 33,284,567	518,269,024	
Other current liabilities	14, 19	3,989,551			2,708,042		
Total Current Liabilities		<u>42,044,476</u>			<u>35,992,609</u>		
Noncurrent Liability							
Deferred tax liabilities, net	18	-			1,536,081		
Total Liabilities		<u>42,044,476</u>			<u>37,528,690</u>		
EQUITY							
Share capital	15	55,000,000			50,000,000		
Retained earnings	15	(5,194,485)			18,943		
Unrealized gain on financial assets at FVOCI	9	19,720,022			20,485,022		
Revaluation surplus, net of tax	12	4,812,000			4,812,000		
Total Equity		<u>74,337,537</u>			<u>75,315,965</u>		
TOTAL LIABILITIES AND EQUITY		<u>P 116,382,013</u>	<u>P 581,425,504</u>	<u>P 581,425,504</u>	<u>P 112,844,655</u>	<u>P 710,020,473</u>	<u>P 710,020,473</u>

See Accompanying Notes to Financial Statements.

FIDELITY SECURITIES, INC.
STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31,	
	Note	2024	2023
REVENUES			
Commissions		₱ 1,138,876	₱ 3,325,255
Others:			
Dividend income	6, 9	2,052,721	2,052,265
Trading gains on financial assets at FVPL	6	4,242,247	1,400,114
Unrealized (loss) gain on financial assets at FVPL	6	(241,846)	412,289
		7,191,998	7,189,923
COST OF SERVICES	16	4,806,180	3,370,644
GROSS PROFIT		2,385,818	3,819,279
INTEREST INCOME	5	460,641	417,050
OPERATING EXPENSES	17	10,084,129	10,049,052
LOSS BEFORE INCOME TAX		(7,237,670)	(5,812,723)
BENEFIT FROM INCOME TAX	18	(2,024,242)	(862,386)
NET LOSS		(5,213,428)	(4,950,337)
OTHER COMPREHENSIVE (LOSS) GAIN			
Items that will not be reclassified to profit or loss:			
Changes in fair value of financial asset at FVOCI - net of tax	9	(765,000)	1,530,000
TOTAL COMPREHENSIVE LOSS		(5,978,428)	(3,420,337)
LOSS PER SHARE	19		
Basic and diluted		₱ (9.93)	₱ (10.42)

See Accompanying Notes to Financial Statements.

FIDELITY SECURITIES, INC.
STATEMENTS OF CHANGES IN EQUITY

Year Ended December 31, 2024										
	Share Capital (Note 15)	Appropriated Retained Earnings (Note 15)	Unappropriated Retained Earnings (Note 15)	Unrealized Gain on Financial Assets at FVOCI (Note 9)	Revaluation Surplus (Note 12)	Total				
Balances, January 01, 2024	P 50,000,000	P 6,457,918	P (6,438,975)	P 20,485,022	P 4,812,000	P 75,315,965				
Net loss for the year	-	-	(5,213,428)	-	-	(5,213,428)				
Other comprehensive loss	-	-	-	(765,000)	-	(765,000)				
Total comprehensive loss for the year	-	-	(5,213,428)	(765,000)	-	(5,978,428)				
Issuance of new shares	5,000,000	-	-	-	-	5,000,000				
Transfer of appropriated retained earnings	-	(6,457,918)	6,457,918	-	-	-				
Balances, December 31, 2024	P 55,000,000	P -	P (5,194,485)	P 19,720,022	P 4,812,000	P 74,337,537				

Year Ended December 31, 2023						
	Share Capital (Note 15)	Appropriated Retained Earnings (Note 15)	Unappropriated Retained Earnings (Note 15)	Unrealized Gain on Financial Assets at FVOCI (Note 9)	Revaluation Surplus (Note 12)	Total
Balances, January 01, 2023	P 45,000,000	P 6,457,918	P (1,488,638)	P 18,955,022	P 4,812,000	P 73,736,302
Issuance of new shares	5,000,000	-	-	-	-	5,000,000
Net loss for the year	-	-	(4,950,337)	-	-	(4,950,337)
Other comprehensive income	-	-	-	1,530,000	-	1,530,000
Total comprehensive loss for the year	-	-	(4,950,337)	1,530,000	-	(3,420,337)
Balances, December 31, 2023	P 50,000,000	P 6,457,918	P (6,438,975)	P 20,485,022	P 4,812,000	P 75,315,965

See Accompanying Notes to Financial Statements.

See Accompanying Notes to Financial Statements.

FIDELITY SECURITIES, INC.
STATEMENTS OF CASH FLOWS

		Years Ended December 31	
	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		₱ (7,237,670)	₱ (5,812,723)
Adjustments for:			
Depreciation	10, 11	891,809	18,825
Dividend income	6, 9	(2,052,721)	(2,052,265)
Interest income	5	(460,641)	(417,050)
Unrealized loss (gain) on financial assets at FVPL	6	241,846	(412,289)
(Recovery from) provision for credit losses	7	(492)	954,342
Operating loss before working capital changes		(8,617,869)	(7,721,160)
Changes in working capital:			
(Increase) decrease in:			
Financial assets at FVPL	6	1,338,756	469,045
Trade receivables	7	(3,583,629)	7,564,725
Other receivables	7	(1,628,743)	196,149
Other current assets	8	80,812	146,277
Increase (decrease) in:			
Trade payables	13	4,770,358	(9,252,654)
Other current liabilities	14, 19	1,281,510	1,201,667
Cash used in operations		(6,358,805)	(7,395,951)
Interest received	5	460,641	417,050
Dividends received	6, 9	2,052,721	2,052,265
Income tax paid		(35,352)	(36,366)
Net cash used in operating activities		(3,880,795)	(4,963,002)
CASH FLOW FROM FINANCING ACTIVITY			
Proceeds from issuance of share capital	15	5,000,000	5,000,000
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,119,205	36,998
CASH AND CASH EQUIVALENTS, JANUARY 1	5	20,431,701	20,394,703
CASH AND CASH EQUIVALENTS, DECEMBER 31	5	₱ 21,550,906	₱ 20,431,701

See Accompanying Notes to Financial Statements.

FIDELITY SECURITIES, INC.

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Fidelity Securities, Inc. (the Company) was incorporated on November 5, 1993 and was licensed by the Securities and Exchange Commission (SEC) to engage in the business of dealing, purchasing, holding, managing, using or obtaining an interest, alone or in conjunction with any person natural or juridical, domestic or foreign, in all kinds of securities. The Company is a member of the Philippines Stock Exchange (PSE) and operates within the Philippines.

The Company's registered office address is at 2/F JTKC Center, 2155 Chino Roces St., Makati City.

The financial statements of the Company as at and for the year ended December 31, 2024 (including the comparative financial statements as at and for the year ended December 31, 2023) were authorized for issue by the Company's Board of Directors (BOD) on March 20, 2025.

2. Financial Reporting Framework and Basis of Preparation and Presentation

Basis of Preparation

The accompanying financial statements have been prepared under the historical cost basis except for financial assets at fair value through profit or loss (FVPL), financial assets at fair value through other comprehensive income (FVOCI) and trading right which have been measured at fair value. The financial statements are presented in Philippine peso (₱), which is the Company's functional and presentation currency. All amounts are rounded to the nearest peso unless otherwise indicated.

Statement of Compliance with Philippine Financial Reporting Standards

The financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS). The term PFRS includes all applicable PFRS, Philippine Accounting Standards (PAS) and interpretation, which have been approved by the Financial Reporting Standards Council (FRSC) and adopted by the SEC, including SEC pronouncements.

Security Valuation

The security position of customers classified as long position pertains to shares of stock that a customer bought with the expectation that the shares will rise in value whereas customers with short position pertains to the sale of shares of borrowed stocks in the open market with the expectation that the price thereof will decrease over time, at which point the customers will purchase the shares and return the shares to the broker (to the Company or other brokers) which the customers borrowed from.

3. Summary of Material Accounting Policy Information

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

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective beginning January 1, 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PAS 7, *Cash Flow Statements*. The amendments clarify:
 - That only covenants with which entity must comply on or before financial reporting date will affect a liability's classification as current or noncurrent.
 - The classification is unaffected by the likelihood that an entity will exercise its deferral right.
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Company does not expect that future adoption of the said pronouncements will have a significant impact on the financial statements. The Company intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards – Volume 11
 - Amendments to PAS 7, *Cost Method*
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
- Amendments to PFRS 7, *Gain on Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a "De Facto Agent"*

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*. The standard replaces PAS 1, *Presentation of Financial Statements* and responds to investors' demand for better information about companies' financial performance. The new requirements include:
 - Required totals, subtotals and new categories in the statement of income
 - Disclosure of management-defined performance measures
 - Guidance on aggregation and disaggregation

The Company is currently assessing the impact of adopting this standard on its financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

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

The revised, amended, and additional disclosures or accounting changes provided by the standards and interpretations will be included in the financial statements in the year of adoption, if applicable.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from dates of acquisition and that are subject to insignificant risk of changes in value.

Financial Instruments

Financial assets at amortized cost

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

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

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest rate (EIR) method, less allowance for impairment, if any.

The Company's cash and cash equivalents, trade receivables, and refundable deposit included under 'Other current assets' are classified under this category.

Financial assets at FVPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVOCI are classified under this category. Specifically, financial assets at FVPL include financial assets that are (a) held for trading, (b) designated upon initial recognition at FVPL, or (c) mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose selling or repurchasing in the near term.

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

The Company's held for trading equity instruments are classified under this category.

Financial assets at FVOCI

Equity securities designated at FVOCI are those that the Company made an irrevocable election to present in other comprehensive income the subsequent changes in fair value. The designation is made on instrument-by-instrument basis. Equity securities at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for sale or disposal costs. Gains and losses arising from changes in fair value are recognized in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously recognized in other comprehensive income is not reclassified to profit or loss, but is reclassified directly within equity. Equity securities at FVOCI are not subject to impairment assessment.

Dividends earned on holding these equity instruments are recognized in the statement of comprehensive income when the Company's right to receive the dividends is established, unless the dividends clearly represent recovery of a part of the cost of the investment. Dividends earned are recognized in the statement of comprehensive income under other revenues.

Financial Liabilities

Financial liabilities at amortized cost

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

This category includes trade payables and other current liabilities (excluding statutory liabilities).

Investment Properties

Investment properties consist of building and building improvements held for capital appreciation and rental purposes. Investment properties are accounted for under the cost model and are measured initially at acquisition cost.

The depreciation of the building and building improvements are computed on a straight-line basis over the estimated useful lives of the assets of 20 years. As at December 31, 2024 depreciation expense recognized amounted to ₱873,580. No similar transaction occurred in 2023 (see Note 11).

Intangible Asset

Intangible asset pertains to the Company's exchange trading right.

Exchange trading right is initially measured at cost and is subsequently carried at revalued amount (Fair value). The fair value of the trading right can be determined by reference to an active market at subsequent measurement date, the revaluation model is applied from that date. If the trading right's carrying amount is increased as a result of a revaluation, the increase shall be credited directly to equity under the heading of revaluation surplus. However, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss. The Company does not intend to sell its exchange trading right in the near future.

Impairment of Nonfinancial Assets

The Company's non-financial assets are subject to impairment testing. These assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Equity

Share capital represents the nominal value of shares that have been issued.

Revaluation surplus comprise cumulative mark-to-market valuation of exchange trading right.

Appropriated retained earnings pertain to reserve fund required to be maintained by companies engaged in the securities brokerage business in compliance with SEC Memorandum Circular No. 16, Series of 2004, *Adoption of the Risk Based Capital Adequacy Requirement/Ratio (RBCA) for Brokers Dealers*.

Unappropriated retained earnings include all current and prior period results as disclosed in the profit and loss section of the statement of comprehensive income.

Revenue Recognition

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

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

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

Commissions.

Commissions are recognized as income upon confirmation of trade deals. These are computed for every trade transaction based on a percentage of the amount of trading transaction.

Revenue outside of scope of PFRS 15

Interest

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

Trading gains (losses) - net

Trading gains (losses) – net represents results arising from trading activities including all gains and losses from changes in fair value for financial assets and financial liabilities at FVPL and gains and losses from disposal of investment securities at FVPL and debt securities at FVOCI.

Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders of the issuer approve the dividend.

Other income

Other income is recognized when earned.

Costs and Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Cost of services such as commissions, stock exchange dues and fees, central depository fees, research costs, and communication costs are recognized when the related revenue is earned or when the service is rendered. The majority of operating expenses incurred by the Company such as indirect personnel costs, professional fees, computer services, and other operating expenses are overhead in nature and are recognized with regularity as the Company continues its operations.

Income Taxes

Current income tax

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

Deferred income tax

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

Deferred income tax liabilities are recognized for all deductible temporary differences, carryforward benefit of unused tax credits (minimum corporate income tax or MCIT) and unused tax losses (net operating loss carry over or NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefit of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each financial position date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

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

Current tax and deferred tax relating to items recognized directly in equity is also recognized in equity and not in the statement of comprehensive income.

Provisions

Provisions are recognized when present obligations 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 reviewed at each financial position date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resource as a result of present obligations is considered probable 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.

Contingencies

Contingent liabilities represent possible obligations whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. They are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

Related Entities and Related Party Transactions

Related party relationships exist when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors, or its stockholders. Transactions between related parties are accounted for at arm's length prices or on terms similar to those offered to non-related entities in an economically comparable market.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Events After Financial Reporting Period

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

4. Material Accounting Judgments and Estimates

PAS 1, *Presentation of Financial Statements*, requires disclosures about key sources of estimation uncertainty and judgments that management has made in the process of applying accounting policies. The following are critical judgments and key estimates and assumptions that have a significant risk of material adjustment to the carrying amount of assets and liabilities within the next financial year and/or in future periods.

Judgments

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

Financial assets and liabilities

Where fair values of financial assets and liabilities recorded on the statements of financial position cannot be derived from the active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input of these models is taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Distinction between investment properties and owner-occupied properties

The Company determines whether a property qualifies as an investment property. In making its judgment, the Company considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to the other assets used in the production or supply process.

Estimates

The key assumptions concerning the future and other sources of estimation uncertainty at the financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Assessment for the ECL on trade receivables

The Company, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates for trade receivables. The provision matrix specifies provision rates depending on the number of days that a trade receivable is past due. The Company also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Company then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data to reflect the effects of current and forecasted economic conditions.

The Company adjust historical default rates to forward-looking default rate by determining the closely related economic factor affecting each customer segment. The Company regularly reviews the methodology and assumptions used for estimating ECL to reduce any difference between estimates and actual credit loss experience.

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

The Company also considers trade receivables that are more than three (3) days past due to be the latest point at which lifetime ECL should ne recognized unless it can be demonstrate that this does not represent a significant increase in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the counterparty.

(Recovery from) provision for credit losses on trade receivables amounted to (₱492) and ₱954,342 in 2024 and 2023, respectively. The carrying amount of trade receivables amounted to ₱27,270,036 and ₱23,685,915 as at December 31, 2024 and 2023, respectively (see Note 7).

Estimated useful life of investment properties

The useful life of each of the Company's investment properties is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limitations on the use of the asset. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

The carrying values of property and equipment as at December 31, 2024 and 2023 are disclosed in Note 11.

Impairment of financial assets

The measurement of impairment losses under PFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Recognition of deferred tax assets

The Company reviews the carrying amount of deferred income taxes at each financial position date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Company will generate sufficient taxable income to allow all or part of deferred tax assets to be utilized. The Company looks at its project performance in assessing the sufficiency of future taxable income.

The details of recognized deferred tax assets are disclosed in Note 18.

5. Cash and Cash Equivalents

This account consists of:

	2024	2023
Cash on hand and in banks	₱ 10,614,890	₱ 9,938,124
Short-term investments	10,936,016	10,493,577
	₱ 21,550,906	₱ 20,431,701

Cash in banks earn interest at prevailing bank deposit rates. Short-term cash investments are made for varying periods of up to three months depending on the Company's immediate cash requirements, and earn interest at the prevailing temporary cash investment rates. Interest income earned from cash in banks and short-term investments amounted to ₱460,641 and ₱417,050 in 2024 and 2023, respectively.

In compliance with Securities Regulation Code (SRC) Rule 49.2 covering customer protection and custody of securities, the Company maintains a special reserve bank account for the benefit of its customers amounting to ₱7,356,992 and ₱7,249,336 as at December 31, 2024 and 2023, respectively. The Company's reserve requirement is determined based on SEC's prescribed computations. As at December 31, 2024 and 2023, the Company's reserve accounts are adequate to cover its reserve requirements.

6. Financial Assets at FVPL

This account consists of:

	2024	2023
Equities in the PHISIX	₱ 3,288,616	₱ 5,088,442
Equities outside the PHISIX	8,784,774	8,565,550
	₱ 12,073,390	₱ 13,653,992

Dividend income recognized from these investments amounted to ₱352,721 and ₱352,265 in 2024 and 2023, respectively.

The sale of financial assets at FVPL resulted to a gain of ₱4,242,247 and ₱1,400,114 in 2024 and 2023, respectively and is presented as Trading gains on financial assets at FVPL in the statement of comprehensive income.

The Company recognized net unrealized loss on financial assets at FVPL amounting to ₱241,846 in 2024 and net unrealized gain on financial assets at FVPL amounting to ₱412,289 in 2023.

7. Trade and Other Receivables

Trade Receivables

	2024	2023
Customers	₱ 37,156,953	₱ 31,879,105
Less: allowance for credit losses on trade receivables from customers	9,886,917	9,887,409
Net receivable from customers	27,270,036	21,991,695
Clearing house	-	1,694,220
	₱ 27,270,036	₱ 23,685,915

The security values of the debit balances of customers' account are presented below:

	2024		2023	
	Money Balance	Security Valuation-Long	Money Balance	Security Valuation-Long
Over 250%	₱ 14,447,637	₱ 81,502,339	₱ 12,831,408	₱ 134,355,822
Between 200%-250%	1,725,856	4,054,832	1,063,088	2,596,969
Between 150%-200%	37,543	65,740	685,343	1,325,330
Between 100%-150%	5,778,612	6,414,093	1,361,609	1,566,778
Below 100%	14,716,269	7,594,401	15,486,621	9,352,558
Unsecured accounts	451,037	-	451,037	-
	37,156,953	99,631,405	31,879,105	149,197,457
Allowance for credit losses	9,886,917	-	9,887,409	-
	₱ 27,270,036	₱ 99,631,405	₱ 21,991,695	₱ 149,197,457

Trade receivables from margin customers have no specific credit terms but customers are required to maintain the value of their collateral within a specific level. Once the value of the collateral falls below this level, customers may either deposit additional collateral or sell stock to cover their account balance. The receivable balances become demandable upon failure of the customer to duly comply with these requirements. As at December 31, 2024 and 2023, ₱21,989,648 and ₱15,941,448, respectively, of the total trade receivables from customers are fully covered by collateral.

Trade receivables from clearing house represents amount receivable on the sales and purchases of securities made on the trading floor of the Philippine Stock Exchange. As at December 31, 2024 and 2023, receivable from clearing house were fully collected subsequently in January 2024 and 2023, respectively. These are noninterest-bearing and are collected on two to three trading days.

Allowance for Credit Losses

	2024	2023
Balance, January 01	₱ 9,887,409	₱ 8,933,067
(Recovery from) provision for credit losses	(492)	954,342
Balance, December 31	₱ 9,886,917	₱ 9,887,409

Other Receivables

This account consists of advances to employees and other receivables from noncustomers. As at December 31, 2024 and 2023, other receivables amounted to ₱1,883,674 and ₱254,931, respectively.

8. Other Current Assets

The account consists of:

	2024	2023
Creditable income tax	₱ 160,108	₱ 191,820
Prepaid expenses	156,497	205,597
Refundable deposit	2,000	2,000
	₱ 318,605	₱ 399,417

Creditable income tax refers to the excess tax credits that can be applied in the following year against the corporate income tax due or can be claimed as tax refund from the BIR.

Prepaid expenses consist of prepayments for taxes and insurance which are to be amortized within 12 month period.

9. Financial Asset at FVOCI

This account pertains to Philippine Stock Exchange (PSE) shares received in exchange of membership seat.

The roll forward analyses of financial asset at FVOCI as at December 31 follows:

	2024	2023
Balance, January 01	₱ 28,900,000	₱ 26,860,000
Net changes in fair value	(1,020,000)	2,040,000
Balance, December 31	₱ 27,880,000	₱ 28,900,000

The Company has 170,000 shares as at December 31, 2024 and 2023. Dividends earned from PSE shares amounted to ₱1,700,000 in 2024 and 2023, respectively.

Presented below are the movements in net unrealized gains on financial asset at FVOCI for the year ended December 31:

	2024	2023
Balance, January 01	₱ 20,485,022	₱ 18,955,022
Net fair value changes	(765,000)	1,530,000
Balance, December 31	₱ 19,720,022	₱ 20,485,022

10. Property and Equipment

The roll-forward analysis of this account is as follows:

December 31, 2024				
	Building	Building Improvements	Office Equipment	Total
<u>Cost</u>				
Balance, January 01, 2024	₱ 13,080,964	₱ 4,188,125	₱ 1,870,710	₱ 19,139,799
Reclassification	(13,080,964)	(4,188,125)	(202,520)	(17,471,609)
Balance, December 31, 2024	-	-	1,668,190	1,668,190
<u>Accumulated Depreciation</u>				
Balance, January 01, 2024	-	-	1,621,100	1,621,100
Depreciation	-	-	18,229	18,229
Balance, December 31, 2024	-	-	1,639,329	1,639,329
Net Book Values	₱ -	₱ -	₱ 28,861	₱ 28,861

December 31, 2023				
	Building	Building Improvements	Office Equipment	Total
<u>Cost</u>				
Balance, January 01, 2023	₱ 13,080,964	₱ 4,188,125	₱ 1,870,710	₱ 19,139,799
Reclassification	-	-	-	-
Balance, December 31, 2023	13,080,964	4,188,125	1,870,710	19,139,799
<u>Accumulated Depreciation</u>				
Balance, January 01, 2023	-	-	1,602,275	1,602,275
Depreciation	-	-	18,825	18,825
Balance, December 31, 2023	-	-	1,621,100	1,621,100
Net Book Values	₱ 13,080,964	₱ 4,188,125	₱ 249,610	₱ 17,518,699

In 2024, the Company reclassified its building and improvements at the PSE Tower in Taguig City from property and equipment to investment property due to a change in management's intended use. The property, initially designated for office use, is now planned to be leased out.

The Company did not recognize any impairment losses on its office equipment in 2024 and 2023 since there are no observable indications that the assets' values have significantly declined during the period.

As at December 31, 2024 and 2023, office equipment with aggregate cost of ₱1,779,567 are fully depreciated but are still used in business.

11. Investment Property

The roll-forward analysis of this account is as follows:

	December 31, 2024		
	Building		Total
	Building	Improvements	
Cost			
Balance, January 01, 2024	₱ -	₱ -	-
Reclassification	13,080,964	4,390,645	17,471,609
Balance, December 31, 2024	13,080,964	4,390,645	17,471,609
Accumulated Depreciation			
Balance, January 01, 2024	-	-	-
Depreciation	654,048	219,532	873,580
Balance, December 31, 2024	654,048	219,532	873,580
Net Book Values	₱ 12,426,916	₱ 4,171,113	₱ 16,598,029

In 2024, the Company reclassified its building and building improvements located in the PSE Tower in Taguig City as an investment property. This reclassification was made as the properties, previously not in use for operations, have now become operational and the Company intends to lease them out.

12. Trading Right

Trading right represents the Company's privilege in trading securities at the PSE floor. Under the PSE rules, the Company's trading right (previously the exchange membership seat) is pledged at its full value to the PSE to secure the payment of all debts due to other members of the exchange arising out of or in connection with the present or future contracts relating to Securities.

In 2001, the demutualization or conversion of PSE into a stock corporation was approved by the SEC effective August 8, 2001. Each membership seat will be exchanged for shares of stock of PSE. In accordance with the conversion, PSE will issue 9.2 million shares with a par value of ₱1 per share out of the members' contribution of ₱286.6 million. Thus, each of the 184 members/brokers will subscribe to a total of 50,000 shares of stocks with a par value of ₱1 per share. The balance of members' contribution of ₱277.4 million will be treated as additional paid-in surplus in the financial statements of PSE.

In addition to the shares, each member will receive a Certificate of Trading Right to maintain their continued access to the trading floor of PSE. The Right can be assigned and transferred by the members.

The effects of the conversion plan specifically on the separate valuation of the ownership of the exchange seat and the trading right have been recognized in the Company's financial statements.

The carrying value of the trading right was determined using the higher of value in use and fair market value. As at December 31, 2024 and 2023, the latest transacted price of the exchange trading right, as provided by the PSE amounts to ₱8,000,000.

Movements in exchange trading right follow:

		2024		2023
Cost	₱	1,584,000	₱	1,584,000
Revaluation surplus		6,416,000		6,416,000
	₱	8,000,000	₱	8,000,000

13. Trade Payables

Trade Payables

		2024		2023
Customers	₱	37,666,763	₱	33,284,567
Clearing house		388,163		-
	₱	38,054,925	₱	33,284,567

The Company's trade payables to customers and their security valuation follow:

	2024		2023	
	Account Balances	Security Valuation	Account Balances	Security Valuation
With money balance	₱ 37,666,763	₱ 198,170,127	₱ 33,284,567	₱ 211,293,826
Without money balance	-	243,670,582	-	306,975,198
	₱ 37,666,763	₱ 441,840,709	₱ 33,284,567	₱ 518,269,024

14. Other Current Liabilities

This account consists of:

	2024	2023
Advances from shareholder (Note 18)	₱ 3,000,000	₱ 2,000,000
Central depository fees payable	748,453	424,748
Accrued expenses	130,665	98,450
SSS, HDMF, PHIC premiums and loans payable	49,761	43,250
Withholding taxes payable	25,199	25,819
Dividends payable	15,600	48,870
VAT payable	12,291	39,305
Others	7,581	27,600
	₱ 3,989,551	₱ 2,708,042

Advances from shareholder pertains to outstanding payables to shareholder and are due and demandable, unsecured, non-interest bearing and are settled in cash.

Accrued expenses pertain to utilities, rent, professional fees and office supplies which are due to be settled in the following financial year.

SSS, HDMF, PHIC premiums and loans payable are due to be settled within the next financial year.

Withholding taxes payable consists of expanded and compensation withholding taxes.

Others refer to insurance and stock transfer taxes payable.

15. Equity

Share Capital

The details of the Company's share capital are as follows:

	2024		2023	
	Share	Amount	Share	Amount
Share capital				
Authorized - ₱100 per share	600,000	₱ 60,000,000	600,000	₱ 60,000,000
Issued and outstanding	550,000	55,000,000	500,000	50,000,000

The table below details the movement in the Company's share capital:

	2024		2023	
Balance, January 01	₱	50,000,000	₱	45,000,000
Issuance of share capital		5,000,000		5,000,000
Balance, December 31	₱	55,000,000	₱	50,000,000

The proceeds from issuance of shares are presented in the Statements of Cash Flows as cash flows from financing activity.

Increase in Authorized Capital

On May 16, 2022, the Company's BOD approved the proposed increase in authorized capital stock (ACS) from ₱40,000,000 divided into 400,000 shares with ₱100 par value per share to ₱60,000,000 divided into 600,000 shares with ₱100 par value per share. The SEC approved the Company's application for increase in share capital on October 4, 2022.

Appropriated Retained Earnings

SRC Rule 49.1 (B) *Reserve Fund*, requires that every broker dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to appropriated retained earnings. Appropriation shall be 30.00%, 20.00% and 10.00% of profit after tax for broker dealers with unimpaired paid-up capital between ₱10.00 million to ₱30.00 million, between ₱30.00 million to ₱50.00 million and more than ₱50.00 million, respectively. Under the same Rule, where in any financial year, the paid-up capital is impaired, Broker Dealers are required to transfer the appropriated retained earnings to the capital account an amount equivalent to the impairment.

No appropriation was made in 2024 and 2023 because of the Company's net loss position. In 2024, the Company reversed its appropriated retained earnings to comply with SRC Rule 49.1 (B) (3).

Revaluation Surplus

As at December 31, 2024 and 2023, the Company's revaluation surplus amounted to ₱6,416,000 which is the excess of fair value over carrying amount of trading right as revalued and is presented in the Company's statements of changes in equity, net of related deferred tax liability of ₱1,604,000.

16. Cost of Services

This account consists of:

	2024	2023
Commissions	₱ 675,330	₱ 677,418
Stock exchange dues and fees	4,130,850	2,693,226
	₱ 4,806,180	₱ 3,370,644

17. Operating Expenses

This account consists of:

	2024	2023
Salaries and wages	₱ 3,817,116	₱ 4,044,413
Professional fees	1,681,593	1,657,826
Representation and entertainment	1,113,037	982,711
Depreciation (Note 10 and 11)	891,809	18,825
Transportation and travel	754,882	760,773
Gas and oil	330,000	286,101
Condominium dues and fees	308,732	299,376
SSS, PHIC and HDMF contributions	281,006	274,136
Rent expense (Note 24)	214,500	214,500
Taxes and licenses	174,554	176,945
Office supplies	98,474	72,114
Communication	84,242	101,702
Subscription and periodicals	79,200	79,200
Repairs and maintenance	78,571	63,419
Insurance	45,822	45,822
(Recovery from) provision for credit losses (Note 7)	(492)	954,342
Miscellaneous	131,082	16,848
	₱ 10,084,129	₱ 10,049,052

18. Income Tax

The components of tax expense as reported in the profit or loss section of statement of comprehensive income are as follows:

	2024		2023
Deferred income tax	₱ (2,027,882)	₱	(866,109)
Final tax	3,640		3,723
	₱ (2,024,242)	₱	(862,386)

A reconciliation of income tax computed at the statutory income tax rate to net provision income tax shown in the statements of comprehensive income follows:

	2024		2023
Statutory income tax	₱ (1,809,418)	₱	(1,453,181)
Tax effects on:			
Income not subject to tax	(513,180)		(513,066)
Income subject to final tax	(115,160)		(104,263)
Nondeductible expenses	325,146		369,378
Deferred tax on temporary differences	88,370		838,746
	₱ (2,024,242)	₱	(862,386)

The components of deferred tax assets (liabilities) as of December 31, 2024 and 2023 are as follows:

	2024		2023
Deferred tax assets on:			
NOLCO	₱ (6,343,852)	₱	(4,231,240)
Allowance for credit losses	(2,471,729)		(2,471,852)
Unrealized loss on financial assets at FVPL	(60,462)		103,072
MCIT	(79,810)		(296,240)
	(8,955,853)		(6,896,260)
Deferred tax liabilities on:			
Unrealized gain on financial assets at FVOCI	6,573,341		6,828,341
Revaluation surplus	1,604,000		1,604,000
	8,177,341		8,432,341
Deferred tax (liabilities) assets, net	₱ (778,512)	₱	1,536,081

The Company is subject to MCIT which is computed at 2% and 1.5% of gross income in 2024 and 2023, respectively, net of allowable deductions, as defined under the tax regulations or to RCIT, whichever is higher. No RCIT was reported in 2024 and 2023 as the MCIT was higher than RCIT in those years.

In 2024 and 2023, the Company opted to claim itemized deductions in computing for its income tax due.

The details of the Company's NOLCO, which can be applied against future taxable income within three years or five years from the year the tax loss was incurred, is shown below.

Year Incurred	Expiry Date	Amount	NOLCO Applied Previous Year	NOLCO Expired	NOLCO Applied Current Year	Balance
2024	2027	₱ 8,450,452	₱ -	-	₱ -	8,450,452
2023	2026	6,804,528	-	-	-	6,804,528
2022	2025	7,270,432	-	-	-	7,270,432
2021	2026	2,850,001	-	-	-	2,850,001
		₱ 25,375,413	₱ -	-	₱ -	25,375,413

Specifically, the NOLCO incurred in 2021 and 2020 can be claimed as a deduction from future taxable income within five years immediately following the year of such loss, pursuant to Republic Act (R.A.) No. 11494, Bayanihan to Recover as One Act.

Details of the Company's MCIT which may be applied and credited against the normal income tax due, if any, for the three (3) immediately succeeding taxable years, are as follows:

Year Incurred	Expiry Date	Amount	MCIT Applied Previous Year	MCIT Expired	MCIT Applied Current Year	Balance
2024	2027	₱ 31,712	₱ -	-	₱ -	31,712
2023	2026	32,643	-	-	-	32,643
2022	2025	15,455	-	-	-	15,455
2021	2024	248,141	-	(248,141)	-	-
		₱ 327,951	₱ -	(248,141)	₱ -	79,810

19. Related Party Transactions

The amounts and balances arising from the significant related party transactions of the Company are as follows:

Classification of Related Party/ Transactions	Year	Amount	Outstanding Balance	Terms and Conditions
<u>Shareholders</u>				
Trade Receivables	2024	4,308,783	5,130,215	Normal credit terms
	2023	453,161	821,432	Unsecured; unimpaired
Advances	2024	1,000,000	3,000,000	Normal credit terms
	2023	1,000,000	2,000,000	Unsecured; unimpaired
Trade Payables	2024	4,758,580	8,079,620	Normal credit terms
	2023	531,233	3,321,040	Unsecured; unimpaired
<u>Key Management Personnel</u>				
Salaries	2024	747,500	-	Normal credit terms
	2023	660,000	-	Unsecured; non-interest bearing

20. Loss Per Share

Loss per share is computed as follows:

	2024	2023
Net loss	(P5,213,428)	(P4,950,337)
Weighted average number of shares outstanding	525,000	475,000
Basic loss per share	(P9.93)	(P10.42)

Basic/diluted earnings per share is computed based on weighted average number of common shares outstanding during each year adjusted for any stock dividends declared, if any. No stock options, warrants and debenture bonds were offered, exercised nor converted for this fiscal year. Hence, the basic and diluted earnings per share are the same.

21. Financial Risk Management Objectives and Policies

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated with the Board of Directors, and focuses on actively securing the Company's short-to-medium term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Company's risk management policies were established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's business activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The policies for managing specific risks are summarized below and in succeeding pages:

Market / Price Risk

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

Equity price risk

The Company is exposed to price risk in relation to its financial assets at FVPL and financial asset at FVOCI.

The following table sets forth the impact, for the period indicated, of the changes in price quotation to the Company's unrealized gain or loss on financial assets at FVOCI and FVPL for 2024 and 2023.

	2024		2023	
Change in PSEi	78.75%	-78.75%	69.07%	-23.46%
Change in profit or loss	9,507,795	(9,507,795)	9,430,812	(3,216,541)
Change in other comprehensive income	21,475,153	(21,475,153)	18,552,202	(6,301,356)

The price fluctuation assumed in the *sensitivity analysis* represents the defined shift used by the Company to manage its equity price risk. The assumed changes in rate are based on the average volatility of PSEi at year-end.

Interest rate risk

As at December 31, 2024 and 2023, the Company has no significant interest rate risk exposure due to the short-term maturities of its interest-bearing financial assets and the Company does not have financial instruments which are subject to floating interest rate.

Foreign currency risk

The Company does not have exposure to foreign currency risk as most of its transactions are denominated in Philippine Peso, its functional currency.

Liquidity Risk

Liquidity risk arises from the possibility that the Company may encounter difficulties in raising funds to meet commitments from financial instruments or that market for derivatives may not exist in some circumstances.

The Company manages its liquidity profile to meet the following objectives:

- a. To ensure that adequate funding is available at all times;
- b. To meet commitments as they arise without incurring unnecessary costs; and
- c. To be able to access funding when needed at least possible cost.

As at December 31, 2024 and 2023, all of the Company's liabilities which consist of payable to customers and other current liabilities (except statutory payables and advances from officers), are contractually payable on demand and up to sixty (60) days' term.

Correspondingly, the financial assets that can be used by the Company to manage its liquidity risk as at December 31, 2024 and 2023 consists of cash and cash equivalents, financial assets at FVPL and trade receivables.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Trading limits for each customer are set after assessment of the true risk and profile of the customers (i.e., financial capacity, reputation and collateral) on top of risk management procedures. Receivable balances are also monitored regularly.

Concentration arises when a number of counterparties are engaged in similar activities or have similar economic features that would cause the ability to meet contractual obligation to be similarly affected by changes in political, economic or other conditions. In order to avoid excessive concentrations of risk, the Company's policy and procedures include the objective of achieving a well-diversified portfolio that limits the Company's risk to any group or industry.

Maximum exposure to credit risk after collateral held or other credit enhancements

The Company's maximum exposure to credit risk is the carrying value at the reporting date of each class of financial assets of the Company except for receivables from customers wherein the Company holds collateral as security.

An analysis of the maximum exposure to credit risk after taking into account any collateral held or other credit enhancements of the Company is shown below:

	2024	2023
Cash and cash equivalents*	P 21,542,906	P 20,423,701
Financial asset at FVPL	12,073,390	13,653,992
Trade receivables		
Receivable from customers	451,037	451,037
Receivable from clearing house	-	1,694,220
Other receivables	1,883,674	254,931
Financial asset at FVOCI	27,880,000	28,900,000
Other current asset		
Refundable deposit	2,000	2,000
	P 63,833,006	P 65,379,881

*excluding cash on hand

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

All other financial assets of the Company are unsecured. Hence, the maximum exposure to credit risk is limited to the carrying values as of December 31, 2024 and 2023.

Credit quality per class of financial assets

The table below shows the credit quality by class of the financial assets of the Company:

	2024			
	Neither Past Due nor Impaired		Past due but not	
	High Grade	Standard Grade	Impaired	Total
Cash and cash equivalents*	P 21,542,906	P -	P -	P 21,542,906
Financial asset at FVPL	12,073,390	-	-	12,073,390
Financial assets at amortized cost				
Trade receivables	-	-	37,156,953	37,156,953
Other receivables	1,883,674	-	-	1,883,674
Financial asset at FVOCI	27,880,000	-	-	27,880,000
Other current asset				
Refundable deposit	2,000	-	-	2,000
	P 63,381,970	P -	P 37,156,953	P 100,538,923

*excluding cash on hand

	2023					
	Neither Past Due nor Impaired			Past due but not Impaired		Total
	High Grade	Standard Grade				
Cash and cash equivalents*	₱ 20,423,701	₱ -	₱ -	₱ -	₱ -	20,423,701
Financial asset at FVPL	13,653,992	-		-		13,653,992
Financial assets at amortized cost						
Trade receivables	-	-		31,879,105		31,879,105
Receivable from clearing house	1,694,220	-		-		1,694,220
Other receivables	254,931	-		-		254,931
Financial asset at FVOCI	28,900,000	-		-		28,900,000
Other current asset						
Refundable deposit	2,000	-		-		2,000
	₱ 64,928,844	₱ -	₱ -	₱ 31,879,105	₱ -	96,807,949

*excluding cash on hand

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

1. *Cash and cash equivalents*

Evidence of indebtedness issued by banks are classified as high grade. For corporate debts, classification is based on grading provided by foreign and local (reputable) rating agencies.

2. *Receivables*

High grade - These are receivables which have a high probability of collection (i.e., the counterparty has the evident ability to satisfy its obligation and the security on the receivables are readily enforceable).

Standard - These are receivables where collections are probable due to the reputation and the financial ability of the counterparty to pay but have been outstanding for a long period of time.

Substandard - These are receivables from counterparties with history of default and partially or unsecured accounts and are not past due as of the reporting date.

3. *Financial assets at FVPL and FVOCI*

High grade - Companies that are consistently profitable, have strong fundamentals and pays out dividends.

Standard - Companies that recently turned profitable and have the potential of becoming a high-grade company. These companies have sound fundamentals.

Substandard - Companies that are not yet profitable, speculative in nature but have the potential to turn around fundamentally.

As of December 31, 2024 and 2023, the Company's cash and cash equivalents (excluding cash on hand), receivables from customers, non-customers (excluding receivable from BIR) and clearing house are all assessed to be High grade. These financial assets (excluding receivable from customers) are all classified as Stage 1 financial assets as at December 31, 2024 and 2023.

The Company applies the simplified approach in measuring ECL which uses a lifetime expected credit loss allowance for all receivables from customers, non-customers and other receivables. Receivable from customers is either fully or partially secured by collateral equity securities (See Note 7). In computing for the lifetime ECL, the Company has established a provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to debtors and the economic environment.

As at December 31, 2024 and 2023, the Company's financial assets at FVPL and financial asset at FVOCI are classified as high grade since these are investments with entities of good reputation, consistently profitable, have strong fundamentals and pays out dividends.

Management determined that ECL is negligible for its debt financial assets, and thus, no provision is recognized based on the following:

- Credit risk of cash and cash equivalents is assessed to be minimal since these are placed and recoverable from banks with high external credit ratings.
- Receivables from clearing house are guaranteed to be settled following T+3 policy.
- Receivables from non-customers consist of advances to employees which is automatically deducted from the salary, and receivables from noncustomers

Collateral and other credit enhancements

The amount and type of collateral required depends on the assessment of the credit risk of the borrower or counterparty. The Company follows guidelines on the acceptability of types of collateral and valuation parameters.

Management regularly monitors the market value of collateral and requests additional collateral in accordance with the underlying agreement. The existing market value of collateral is considered during the review of the adequacy of the allowance for impairment losses.

Eligible collaterals are shares listed and traded in the PSE and lodged with the Philippine Depository and Trust Corporation (PDTC) under the account of the Company.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

Aging analyses of financial assets

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

2024					
	Neither past due nor impaired	Past due but not Impaired			Total
		4-14 days	15-30 days	More than 31 days	
Cash and cash equivalents*	₱ 21,542,906	₱ -		₱ -	₱ 21,542,906
Financial asset at FVPL	12,073,390				12,073,390
Trade receivables	-	6,059,461	5,969,677	25,127,815	37,156,953
Other receivables		1,883,674			1,883,674
Financial asset at FVOCI	27,880,000	-		-	27,880,000
Other current asset					
Refundable deposit	2,000	-		-	2,000
	₱ 61,498,296	₱ 7,943,135		₱ 25,127,815	₱ 100,538,923

*excluding cash on hand

2023					
	Neither past due nor impaired	Past due but not Impaired			Total
		4-14 days	15-30 days	More than 31 days	
Cash and cash equivalents*	₱ 20,423,701	₱ -		₱ -	₱ 20,423,701
Financial asset at FVPL	13,653,992				13,653,992
Trade receivables	-	765,769	2,252,737	28,860,598	31,879,105
Receivable from clearing house	1,694,220	-		-	1,694,220
Other receivables		254,931			254,931
Financial asset at FVOCI	28,900,000	-		-	28,900,000
Other current asset					
Refundable deposit	2,000	-		-	2,000
	₱ 64,673,913	₱ 1,020,700		₱ 28,860,598	₱ 96,807,949

*excluding cash on hand

22. Capital Management

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

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payments to shareholders or issue capital securities. No changes were made in the objectives, policies and processes during the years ended December 31, 2024 and 2023.

Regulatory Qualifying Capital

The Amended Implementing Rules and Regulations of the SRC effective February 28, 2004 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 ₱2.50 million or 2.50% of Aggregate Indebtedness (AI), whichever is higher, for brokers 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 (RBCA) model, and (c) to require unimpaired paid-up capital of ₱100.00 million for brokers dealers, which are either first-time registrants or those acquiring existing broker dealer firms and will participate in a registered clearing agency; ₱10.00 million plus a surety bond for existing broker dealers not engaged in market-making transactions; and ₱2.50 million for broker dealers dealing only in proprietary shares and not holding securities.

The RBCA ratio of a broker dealer, computed by dividing the Net Liquid Capital (NLC) by the Total Risk Capital Requirement (TRCR), should not be less than 110.00%. NLC and TRCR are computed based on the existing SRC. NLC consists of total equity adjusted for allowance for market decline, subordinated liabilities, deferred tax assets, revaluation reserves, deposits for future stock subscription, minority interest, if any, contingencies and guarantees, and the total ineligible assets. Also, the AI of every stockbroker should not exceed 2,000.00% of its NLC and at all times shall have and maintain NLC of at least P5.00 million or 5.00% of the AI, whichever is higher.

Further, based on SEC Memorandum Circular No. 16 dated November 11, 2004, starting December 1, 2005, every broker dealer is expected to comply with all the requirements of the RBCA rules. As at December 31, 2005, the RBCA is based on the guidelines which cover the following risks: (a) position or market risk; (b) credit risks such as counterparty, settlement, large exposure, and margin financing risks; and (c) operational risk.

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

	2024	2023
Equity eligible for NLC	₱75,116,049	₱73,779,884
Less: Ineligible assets	54,709,169	54,819,540
NLC	₱20,406,880	₱18,960,344
Operational risk	3,071,687	3,592,320
Position risk	3,896,825	4,270,053
Counterparty risk	69,088	-
Total Risk Capital Requirement (TRCR)	₱7,037,600	₱7,862,373
AI	₱42,044,476	₱35,992,609
5% of AI	₱2,102,224	₱1,799,630
Required NLC	₱5,000,000	₱5,000,000
Net Risk Based Capital Excess	₱15,406,880	₱13,960,344
Ratio of AI to NLC	206%	190%
RBCA ratio (NLC/TRCR)	290%	241%

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

Ineligible assets

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

Operational risk requirement

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

Below is the computation of operational risk requirement for the last three years:

	2023	2022	2021	AVERAGE
Revenue				
Commission income	₱3,325,255	₱2,957,266	₱5,286,652	₱3,856,391
Interest income	417,050	166,974	128,427	237,484
Dividend income	2,052,265	2,130,004	1,789,708	1,990,659
Gain on sale of financial assets at FVPL	1,400,114	2,684,953	23,736,640	9,273,902
	₱7,194,684	₱7,939,197	₱30,941,427	₱15,358,436
Average of the Last Three Years				₱15,358,436
Gross Income				20%
Multiplied by: Operational Risk Factor				
Total Operational Risk Requirement				₱3,071,687

Furthermore, the Company's core equity should, at all times, be greater than its operational risk requirement.

Core equity refers to the sum of paid-up share capital, share capital dividends distributable, additional paid-in capital, surplus reserves excluding revaluation reserves or appraisal capital and opening retained earnings adjusted for all current year movements.

Core equity shall exclude treasury shares and unbooked valuation reserves and other capital adjustments (such as unrealized gain in value of FVOCI securities).

As at December 31, 2024 and 2023, the Company's core equity is greater than its operation risk requirement.

Position risk requirement

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

	Total Market Value of Instrument	Position Risk Factors	2024 PRR
Equities in PHISIX	₱3,288,616	25.00%	₱822,154
Other Equities outside the PHISIX	8,784,774	35.00%	3,074,671
Total	₱12,073,390		₱3,896,825

	Total Market Value of Instrument	Position Risk Factors	2023 PRR
Equities in PHISIX	₱5,088,442	25.00%	₱1,272,111
Other Equities outside the PHISIX	8,565,550	35.00%	2,997,943
Total	₱13,653,992		₱4,270,053

Counterparty risk requirement

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

Aggregate indebtedness (AI)

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

23. Fair Value Measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under the current market conditions regardless of whether the price is directly observable or estimated using another valuation technique.

The carrying amounts of cash and cash equivalents, trade receivables, other receivables, refundable deposit, trade payables and other current liabilities, which are all subject to normal trade credit terms and are short-term in nature, approximate their fair values.

Financial assets at FVPL and financial asset at FVOCI

The Company's financial assets at FVPL and Financial asset at FVOCI are carried at their fair values as at December 31, 2024 and 2023. Fair value of equity securities is based on the closing quoted prices of stock investments published by the PSE.

Fair value hierarchy

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

2024						
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)			Total
<i>Asset measured at fair value:</i>						
Financial asset at FVPL	P 12,073,390	P -	P -	P		12,073,390
Financial asset at FVOCI	27,880,000	-	-			27,880,000
<i>Asset for which fair values are disclosed:</i>						
Investment property	-	-	17,319,089			17,319,089

2023						
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)			Total
<i>Asset measured at fair value:</i>						
Financial asset at FVPL	P 13,653,992	P -	P -	P		13,653,992
Financial asset at FVOCI	28,900,000	-	-			28,900,000

As at December 31, 2024 and 2023, there are no transfers among levels 1, 2 and 3 of fair value measurements.

24. Commitment

Operating lease – Company as lessee

The Company entered into a lease contract with JTKC Equities Inc. for the lease of its office space for a period of two (2) years commencing on June 1, 2017 until May 31, 2019. The contract was renewed for another year starting on January 1, 2020 with option to renew on an annual basis.

Rent expense arising from this agreement amounted to ₱214,500 in 2024 and 2023, respectively and was recognized as part of operating expenses in the statement of comprehensive income.

25. Supplementary Information Required by the Bureau of Internal Revenue

Presented below and in the succeeding pages is the supplementary information which is required by the BIR under Revenue Regulation (RR) No. 15-2010 and RR No. 34-2020 to be disclosed as part of the notes to the financial statements. This supplementary information is not a required disclosure under PFRS.

Requirements Under RR No. 15-2010

In compliance with the requirements set forth by Revenue Regulations 15-2010, hereunder are the information on taxes, duties and license fees paid or accrued for the year ended December 31, 2024:

A. Value-Added Tax (VAT)

The Company's sales are subject to output VAT while its purchases from other VAT-registered individuals or corporations are subject to input VAT. The VAT rate is 12%.

a. Output VAT

The Company declared output VAT of ₱799,226 from vatable sales of ₱6,660,220.

b. Input VAT

The amount VAT Input taxes claimed are broken down as follows:

	2024
Balance, January 01, 2024	₱ -
Current year's domestic purchases of services	168,814
Total allowable input tax	168,814
Input tax applied against output tax	(168,814)
Balance, December 31, 2024	₱ -

B. Other Taxes and Licenses

The details of taxes and licenses are shown as part of operating expenses in the statement of comprehensive income:

	2024
SEC licenses and fees	₱ 110,625
Municipal permits and licences	33,029
Others	30,900
	₱ 174,554

C. Withholding Taxes

Withholding taxes for 2024 which are either paid or accrued are as follows:

	Paid	Accrued	Total
Expanded withholding tax	₱82,077	₱3,648	₱85,725
Withholding taxes on compensation and benefits	157,400	21,551.00	178,951
	₱239,477	₱25,199	₱264,676

D. Deficiency Tax Assessment and Cases

As at December 31, 2024, the Company has no outstanding final deficiency tax assessments or tax cases pending in courts or bodies outside of the BIR.

Requirements Under RR No. 34-2020

RR No. 34-2020 prescribes the guidelines and procedures on the submission of BIR Form No. 1709, transfer pricing documentation and other supporting documents for related party transactions. The Company is not covered by these requirements as the Company did not fall in any of the categories identified under Section 2 RR No. 34-2020.



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SUPPLEMENTAL WRITTEN STATEMENT OF INDEPENDENT AUDITORS

The Shareholders and the Board of Directors
Fidelity Securities, Inc.
2/F JTKC Center, 2155 Chino Roces St.
Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Fidelity Securities, Inc. (the 'Company'), for the year ended December 31, 2024, on which we have issued our attached report dated March 20, 2025.

In compliance with SRC Rule 68, we are stating that the Company has four (4) shareholders owning 100 or more shares each as at December 31, 2024.

MARIANO CAGUETE & CO. CPAs

Tax Identification No. 008-837-788-000
Firm's BOA Accreditation/PRC Cert. of Reg. No. 5612
Issued on August 13, 2023; Valid until August 12, 2026
BIR Accreditation No. 08-006268-000-2022
Issued on September 28, 2022; valid until September 27, 2025

By:

MARIA ANTONIETTE V. MARIANO-CRUZ

Partner Signing for the Firm

CPA License No. 109720
Tax Identification No. 924-998-281-001
BIR Accreditation No. 08-006268-005-2023
Issued on January 31, 2023; valid until January 30, 2026
P.T.R. No. 6692527, issued on January 03, 2025, Tarlac City

March 20, 2025
Makati City, Metro Manila



Mariano Caguete & Co.

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REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES

The Shareholders and the Board of Directors
Fidelity Securities, Inc.
2/F JTKC Center, 2155 Chino Roces St.
Makati City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Fidelity Securities, Inc. (the 'Company') for the year ended December 31, 2024 and have issued our report thereon dated March 20, 2025. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. Schedules I to VII are the responsibility of the management the Company. These schedules are presented for the purpose of complying with Securities and Regulation Code Rule 68, as Amended (2011) and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic financial statements taken as a whole.

MARIANO CAGUETE & CO. CPAs

Tax Identification No. 008-837-788-000
Firm's BOA Accreditation/PRC Cert. of Reg. No. 5612
Issued on August 13, 2023; Valid until August 12, 2026
BIR Accreditation No. 08-006268-000-2022
Issued on September 28, 2022; valid until September 27, 2025

By:


MARIA ANTONIETTE V. MARIANO-CRUZ

Partner Signing for the Firm

CPA License No. 109720

Tax Identification No. 924-998-281-001

BIR Accreditation No. 08-006268-005-2023

Issued on January 31, 2023; valid until January 30, 2026

P.T.R. No. 6692527, issued on January 03, 2025, Tarlac City

March 20, 2025

Makati City, Metro Manila

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

There are no liabilities subordinated to claims of general creditors.

SCHEDULE II

FIDELITY SECURITIES, INC.
COMPUTATION OF RISK-BASED CAPITAL ADEQUACY RATIO
UNDER SRC RULE 49.1
DECEMBER 31, 2024

Assets	₱ 116,382,013
Liabilities	42,044,476
Equity as per books	74,337,537
Adjustment to equity per books	
Add (Deduct):	
Allowance for market decline	
Subordinated liabilities	
Unrealized Gain/Loss in Proprietary Accounts	
Deferred income tax	778,512
Revaluation Reserve	
Deposit for Future Stock Subscription	
Minority Interest	
Total Adjustments to Equity per books	778,512
Equity Eligible For Net Liquid Capital	75,116,049
Contingencies and Guarantees	
Deduct: Contingent Liability	
Guarantees or Indemnities	
Ineligible Assets	
a. Trading Right and all Other Intangible Assets	8,000,000
b. Intercompany Receivables	
c. Fixed Assets, net of accumulated and excluding those used as collateral	16,626,890
d. All Other Current Assets	2,202,279
e. Securities Not Readily Marketable	
f. Negative Exposure (SCCP)	
g. Notes Receivables (non-trade related)	
h. Interest and Dividend Receivables outstanding for more than 30 days	
i. Ineligible Insurance claims	
j. Ineligible Deposits	
k. Short Security Differences	
l. Long Security Differences not resolved prior to sale	
m. Other Assets including Equity Investments in PSE	27,880,000
Total ineligible assets	54,709,169
Net Liquid Capital (NLC)	20,406,880
Less:	
Operation Risk Requirement	3,071,687
Position Risk Requirement	3,896,825
Counterparty Risk	69,088
Large Exposure Risk	
LERR to a single client	
LERR to a single debt	
LERR to a single issuer and group of companies	
Total Risk Capital Requirement (TRCR)	7,037,600

Net RBCA Margin (NLC-TRCR)	13,369,280
Liabilities	42,044,476
Add: Deposit for Future Stock Subscription	
Less: Exclusions from Aggregate Indebtedness	
Subordinated Liabilities	
Loans and Secured Liabilities	
Loans Secured by Fixed Assets	
Others	
Total Adjustment to AI	
Aggregate Indebtedness	42,044,476
5% of Aggregate Indebtedness	2,102,234
Required Net Liquid Capital (> of 5% of AI or P5M)	5,000,000
Net Risk-based Capital Excess/(Deficiency)	₱ 15,406,880
Ratio of AI to Net Liquid Capital	206%
RBCA Ratio (NLC/TRCR)	290%

FIDELITY SECURITIES, INC.
INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS UNDER
ANNEX 49.2-A OF SRC RULE 49.2
DECEMBER 31, 2024

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

Market Valuation	NIL
Number of Items	NIL

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

Market Valuation	NIL
Number of Items	NIL

SCHEDULE IV

FIDELITY SECURITIES, INC.
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER ANNEX 49.2-B OF SRC RULE 49.2
DECEMBER 31, 2024

Particulars	Credits	Debits
1. Free credit balances and other credit balance in customers' security accounts.	₱29,602,753	
2. Monies borrowed collateralized by securities carried for the account of customers.		
3. Monies payable against customers' securities loaned.	388,163	
4. Customers' securities failed to receive.		
5. Credit balances in firm accounts which are attributable to principal sales to customer.		
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days old,		
7. Market value of the short security count differences over 30 calendar days old.		
8. Market value of short securities and credits (not to be offset by long or by debits) in all suspense accounts over 30 calendar days.		
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days.		
10. Debit balances in customers' cash or margin accounts excluding unsecured accounts and accounts doubtful of collection.		₱24,363,969
11. Securities borrowed to effectuate short sales by customer and securities borrowed to make delivery on customers' securities failed to deliver.		
12. Failed to deliver customers' securities not older than 30 calendar days.		
13. Others:		
Total		
Net Credit (Debit)	(₱5,626,946)	
Required Reserve (100% of net credit if making a weekly computation and 105% if monthly)		

SCHEDULE V

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

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

SCHEDULE VI

**FIDELITY SECURITIES, INC.
RESULTS OF QUARTERLY SECURITIES COUNT
CONDUCTED PURSUANT TO SRC 52.1-10, AS AMENDED
DECEMBER 31, 2024**

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

FIDELITY SECURITIES, INC.
SECURITIES POSITION REPORT
December 31, 2024

STOCK CODE	MARKET VALUE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		TRANSFER OFFICE		IN VAULT	
			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
AB	5,440	ATOK-BIG WEDGE CO., INC. - "A"	23,400	127,296	7,200	39,168	30,600	166,464	-	-	-	-
ABS	4,200	ABS-CBN CORP.	168,050	705,810	21,000	88,200	189,050	794,010	-	-	-	-
AC	599,000	AYALA CORPORATION	7,162	4,290,038	-	-	7,162	4,290,038	-	-	-	-
ACEN	4,000	ACEN CORPORATION	969,616	3,878,464	-	-	969,616	3,878,464	-	-	-	-
ACR	0,460	ALSONS CONS. RESOURCES, INC.	214,000	98,440	-	-	214,000	98,440	-	-	-	-
AEV	34,350	ABOITIZ EQUITY VENTURES, INC.	67,140	2,306,259	-	-	67,140	2,306,259	-	-	-	-
AGI	9,000	ALLIANCE GLOBAL, INC.	106,000	954,000	-	-	106,000	954,000	-	-	-	-
ALCO	0,365	ARTHALAND CORPORATION	65,224	23,807	-	-	65,224	23,807	-	-	-	-
ALI	26,200	AYALA LAND, INC.	455,881	11,944,082	63,800	1,671,560	519,681	13,615,642	-	-	-	-
ALLDY	0,133	ALLDAY MARTIS, INC.	571,000	75,943	-	-	571,000	75,943	-	-	-	-
ALLHC	1,700	AYALALAND LOGISTICS HLDGS. CORP.	235,000	399,500	85,000	144,500	320,000	544,000	-	-	-	-
ALTER	1,200	ALTERNERGY HOLDINGS CORPORATION	632,000	758,400	180,000	216,000	812,000	974,400	-	-	-	-
ANI	0,510	AGRINURTURE, INC.	10,000	5,100	-	-	10,000	5,100	-	-	-	-
ANS	13,680	A. SORIANO CORPORATION "A"	3,134	42,873	-	-	3,134	42,873	-	-	-	-
AP	37,700	ABOITIZ POWER CORP.	17,500	659,750	-	-	17,500	659,750	-	-	-	-
APC	0,185	APC GROUP, INC.	5,328,000	985,680	120,000	22,200	5,448,000	1,007,880	-	-	-	-
APL	0,004	APOLLO GLOBAL CAPITAL, INC.	50,863,000	203,452	1,000,000	4,000	51,863,000	207,452	-	-	-	-
APO	0,450	ANGLO-PHIL. HOLDINGS CORP.	116,204	52,292	-	-	116,204	52,292	-	-	-	-
APX	3,450	APEX MINING COMPANY, INC. "A"	208,956	720,898	-	-	208,956	720,898	-	-	-	-
AR	0,000	ABRA MINING & INDUSTRIAL CORP.	160,000,000	-	-	-	160,000,000	-	-	-	-	-
ARA	0,510	ARANETA PROPERTIES, INC.	3,840	1,958	-	-	3,840	1,958	-	-	-	-
AREIT	37,950	AREIT, INC.	27,500	1,043,625	-	-	27,500	1,043,625	-	-	-	-
ASLAG	1,030	RASLAG CORP.	30,000	30,900	-	-	30,000	30,900	-	-	-	-
AT	4,380	ATLAS CONS MNG & DEVT CORP.	576,572	2,525,385	-	-	576,572	2,525,385	-	-	-	-
ATI	17,000	ASIAN TERMINALS, INC.	33	561	-	-	33	561	-	-	-	-
ATN	0,520	ATN HOLDINGS, INC. - "A"	800,000	416,000	-	-	800,000	416,000	-	-	-	-
ATNB	0,520	ATN HOLDINGS, INC. - "B"	630,000	327,600	-	-	630,000	327,600	-	-	-	-
AUB	61,500	ASIA UNITED BANK CORP.	91,452	5,624,298	49,500	3,044,250	140,952	8,668,548	-	-	-	-
AXLM	2,590	AXELUM RESOURCES CORP.	378,000	979,020	115,000	297,850	493,000	1,276,870	-	-	-	-
BC	3,970	BENGUET CORPORATION - "A"	3,930	15,602	-	-	3,930	15,602	-	-	-	-
BDO	144,000	BDO UNIBANK INC.	10,349	1,490,256	1,500	216,000	11,849	1,706,256	-	-	-	-
BEL	1,660	BELLE CORPORATION	644,933	1,070,589	46,083	76,498	691,016	1,147,087	-	-	-	-
BHI	0,074	BOULEVARD HOLDINGS, INC.	2,000,000	148,000	-	-	2,000,000	148,000	-	-	-	-
BLOOM	4,580	BLOOMBERRY RESORTS CORPORATION	558,100	2,556,098	50,000	229,000	608,100	2,785,098	-	-	-	-
BNCOM	6,750	BANK OF COMMERCE	102,000	688,500	-	-	102,000	688,500	-	-	-	-
BPI	122,000	BANK OF THE PHIL. ISLANDS	62,589	7,635,858	-	-	62,589	7,635,858	-	-	-	-
BRN	0,560	A. BROWN COMPANY, INC.	237,529	133,016	-	-	237,529	133,016	-	-	-	-
BSC	0,140	BASIC ENERGY CORP.	422,333	59,127	300,000	42,000	722,333	101,127	-	-	-	-
C	1,310	CHELSEA LOGISTICS & INFRA. HLDG	485,700	636,267	15,000	19,650	500,700	655,917	-	-	-	-
CAL	0,000	CALATA CORPORATION	80,000	-	-	-	80,000	-	-	-	-	-
CAT	11,200	CENTRAL AZUCARERA DE TARLAC	1,500	16,800	1,000	11,200	2,500	28,000	-	-	-	-
CBC	63,500	CHINA BANKING CORPORATION	15,225	966,788	-	-	15,225	966,788	-	-	-	-
CDC	0,680	CITYLAND DEVELOPMENT CORP. "A"	2,751	1,871	-	-	2,751	1,871	-	-	-	-
CEB	28,250	CEBU AIR, INC.	42,400	1,197,800	-	-	42,400	1,197,800	-	-	-	-
CEI	0,056	CROWN EQUITIES, INC.	9,645,000	540,120	-	-	9,645,000	540,120	-	-	-	-
CHP	1,780	CEMEX HOLDINGS PHILIPPINES, INC.	290,000	516,200	-	-	290,000	516,200	-	-	-	-
CLI	2,650	CEBU LANDMASTERS, INC.	334,500	886,425	-	-	334,500	886,425	-	-	-	-
CNPF	41,950	CENTURY PACIFIC FOOD, INC.	30,000	1,258,500	-	-	30,000	1,258,500	-	-	-	-
CHVRG	16,140	CONVERGE INFORMATION AND COMMUNE	45,400	732,756	-	-	45,400	732,756	-	-	-	-
COAL	0,154	COAL ASIA HOLDINGS, INC.	2,308,003	355,432	-	-	2,308,003	355,432	-	-	-	-
COSCO	5,380	COSCO CAPITAL, INC.	651,044	3,502,617	-	-	651,044	3,502,617	-	-	-	-
COSMOS	0,000	COSMOS BOTTLING CORPORATION	200	-	-	-	200	-	-	-	-	-
CPG	0,420	CENTURY PROPERTIES GROUP INC.	1,595,661	670,178	-	-	1,595,661	670,178	-	-	-	-
CPM	2,500	CENTURY PEAK HOLDINGS CORP.	90,000	225,000	-	-	90,000	225,000	-	-	-	-
CREIT	3,050	CITICORE ENERGY REIT CORP.	115,000	350,750	-	-	115,000	350,750	-	-	-	-
CTS	0,650	CTS GLOBAL EQUITY GROUP, INC.	20,000	13,000	-	-	20,000	13,000	-	-	-	-
CYBR	0,000	CYBER BAY CORPORATION	2,918,000	-	-	-	2,918,000	-	-	-	-	-
DD	10,200	DOUBLE DRAGON CORPORATION	12,000	122,400	13,000	132,600	25,000	255,000	-	-	-	-
DDMPR	1,030	DDMP REIT, INC.	5,011,000	5,161,330	-	-	5,011,000	5,161,330	-	-	-	-
DELM	3,900	DEL MONTE PACIFIC LTD.	22,395	87,341	23,000	89,700	45,395	177,041	-	-	-	-
DHI	1,600	DOMINION HLDGS, INC.	246,075	393,720	-	-	246,075	393,720	-	-	-	-
DITO	1,640	DITO CME HOLDINGS CORP.	5,051,200	8,283,968	220,000	360,800	5,271,200	8,644,768	-	-	-	-
DIZ	2,030	DIZON COPPER-SILVER MINES, INC.	38,500	78,155	-	-	38,500	78,155	-	-	-	-
DMC	10,820	DMCI HOLDINGS, INC.	74,000	800,680	15,000	162,300	89,000	962,980	-	-	-	-

FIDELITY SECURITIES, INC.
SECURITIES POSITION REPORT
December 31, 2024

STOCK CODE	MARKET VALUE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		TRANSFER OFFICE		IN VAULT	
			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
DMW	5.520	D.M. WENCESLAO & ASSOCIATES, INC.	116,000	640,320	5,000	27,600	121,000	667,920	-	-	-	-
DNL	6.090	D&L INDUSTRIES, INC.	120,000	730,800	-	-	120,000	730,800	-	-	-	-
DWC	1.120	DISCOVERY WORLD CORPORATION	162,292,493	181,767,592	115,000	128,800	162,407,493	181,896,392	-	-	-	-
ECVC	0.310	EAST COAST VULCAN MINING CORP	116,000	35,960	300,000	93,000	416,000	128,960	-	-	-	-
EEL	3.600	EEL CORPORATION	2,022	7,279	-	-	2,022	7,279	-	-	-	-
EEIPA	99.000	EEL CORP. SERIES A PREFERRED SHARES	16,000	1,584,000	-	-	16,000	1,584,000	-	-	-	-
EEIPB	98.450	EEL CORP. SERIES B PREFERRED SHARES	1,000	98,450	-	-	1,000	98,450	-	-	-	-
EG	0.000	IP E-GAME VENTURES, INC.	22,000,000	-	-	-	22,000,000	-	-	-	-	-
EIB	0.000	EXPORT & INDUSTRY BANK	2,270,000	-	-	-	2,270,000	-	-	-	-	-
EIBB	0.000	EXPORT & IMPORT BANK B	500,000	-	-	-	500,000	-	-	-	-	-
ELI	0.120	EMPIRE EAST LAND HOLDINGS, INC.	1,446,552	173,586	-	-	1,446,552	173,586	-	-	-	-
EMI	18.060	EMPERADOR, INC.	264,702	4,780,518	-	-	264,702	4,780,518	-	-	-	-
ENEX	5.000	ENEX ENERGY CORP.	23,712	118,560	-	-	23,712	118,560	-	-	-	-
EURO	0.820	EURO-MED LAB. PHILS., INC.	6,000	4,920	-	-	6,000	4,920	-	-	-	-
EW	9.850	EAST WEST BANKING CORPORATION	78,116	769,443	18,000	177,300	96,116	946,743	-	-	-	-
FB	52.750	SAN MIGUEL FOOD & BEVERAGE, INC.	4,000	211,000	2,150	113,413	6,150	324,413	-	-	-	-
FCG	0.860	FIGARO COFFEE GROUP, INC.	20,000	17,200	-	-	20,000	17,200	-	-	-	-
FDC	4.940	FILINVEST DEVELOPMENT CORP.	752,598	3,717,834	15,000	74,100	767,598	3,791,934	-	-	-	-
FERRO	0.000	FERRONOUX HOLDINGS, INC.	-	-	34,000	-	34,000	-	-	-	-	-
FFI	5.870	FILIPINO FUND, INC.	36,302	213,093	-	-	36,302	213,093	-	-	-	-
FILRT	2.950	FILINVEST REIT, CORP.	16,768	49,466	-	-	16,768	49,466	-	-	-	-
FIP	2.500	F&J PRINCE HOLDINGS CORP.	10,000	25,000	-	-	10,000	25,000	-	-	-	-
FLI	0.730	F&J INVEST LAND, INC.	511,498	373,394	-	-	511,498	373,394	-	-	-	-
FNI	1.040	FERRONICKEL HOLDINGS, INC.	120,940	125,778	-	-	120,940	125,778	-	-	-	-
FOOD	0.380	ALLIANCE SELECT FOODS INT'L, INC.	577,997	219,639	-	-	577,997	219,639	-	-	-	-
FPH	59.000	FIRST PHIL. HLDGS. CORP. "A"	956	56,404	-	-	956	56,404	-	-	-	-
FPI	0.246	FORUM PACIFIC, INC.	160,000	39,360	-	-	160,000	39,360	-	-	-	-
FRUIT	0.640	FRUITAS HOLDINGS, INC.	315,000	201,600	130,000	83,200	445,000	284,800	-	-	-	-
GEO	0.088	GEOGRACE RESOURCES PHILS., INC.	2,242,757	197,363	-	-	2,242,757	197,363	-	-	-	-
GERI	0.640	GLOBAL-ESTATE RESORTS, INC.	30,000	19,200	-	-	30,000	19,200	-	-	-	-
GLO	2184.000	GLOBE TELECOM GMCR, INC.	216	471,744	-	-	216	471,744	-	-	-	-
GMA7	6.110	GMA NETWORK, INC.	56,000	342,160	-	-	56,000	342,160	-	-	-	-
GMAP	6.260	GMA HOLDINGS, INC.	10,000	62,600	-	-	10,000	62,600	-	-	-	-
GREEN	0.190	GREENERGY HOLDINGS INC.	272,220	51,722	-	-	272,220	51,722	-	-	-	-
GTAP	658.000	GT CAPITAL HOLDINGS, INC.	1,823	1,199,534	-	-	1,823	1,199,534	-	-	-	-
HOME	0.640	ALLHOME CORP.	133,000	85,120	-	-	133,000	85,120	-	-	-	-
HVN	2250.000	GOLDEN MV HOLDINGS, INC.	15,000	33,750,000	-	-	15,000	33,750,000	-	-	-	-
I	0.233	IREMIT, INC.	185,950,711	43,326,516	-	-	185,950,711	43,326,516	-	-	-	-
ICT	386.000	INTL. CONT. TERMINAL SERV INC	82	31,652	-	-	82	31,652	-	-	-	-
IDC	1.300	ITALPINAS DEVELOPMENT CORP.	51,475	66,918	-	-	51,475	66,918	-	-	-	-
IMI	1.490	INTEGRATED MICRO-ELECTRONICS, INC.	98,000	146,020	-	-	98,000	146,020	-	-	-	-
IMP	0.630	IMPERIAL RESOURCES, INC.	145,000	91,350	-	-	145,000	91,350	-	-	-	-
INFRA	0.300	PHIL. INFRADEV HOLDINGS INC	446,000	133,800	85,000	25,500	531,000	159,300	-	-	-	-
IPM	3.000	IPM HOLDINGS, INC.	170,700	512,100	-	-	170,700	512,100	-	-	-	-
IPO	6.790	IPEOPLE, INC.	3,549	24,098	-	-	3,549	24,098	-	-	-	-
IS	0.000	ISLAND INFO & TECH., INC.	5,650,000	-	-	-	5,650,000	-	-	-	-	-
JFC	269.000	JOLIBEE FOODS CORPORATION	11,174	3,005,806	-	-	11,174	3,005,806	-	-	-	-
JGS	20.550	JG SUMMIT HOLDINGS, INC.	2,000	41,100	-	-	2,000	41,100	-	-	-	-
KEEPR	2.230	THE KEEPRERS HOLDINGS, INC.	535,660	1,194,522	13,800	30,774	549,460	1,225,296	-	-	-	-
KPPI	1.260	KEPWEALTH PROPERTY PHILS., INC.	-	-	200	252	200	252	-	-	-	-
LC	0.067	LEPANTO CONS. MNG. CO. "A"	22,924,366	1,535,933	500,644	33,543	23,425,010	1,569,476	-	-	-	-
LCB	0.067	LEPANTO CONS. MNG. CO. "B"	5,151,175	345,129	-	-	5,151,175	345,129	-	-	-	-
LODE	0.280	LODESTAR INVESTMENT HOLDINGS CORP.	100,000	28,000	-	-	100,000	28,000	-	-	-	-
LPZ	2.700	LOPEZ HOLDINGS CORP.	103,700	279,990	50,000	135,000	153,700	414,990	-	-	-	-
LTG	10.500	LT GROUP, INC.	54,000	567,000	11,000	115,500	65,000	682,500	-	-	-	-
MA	0.001	MANILA MINING CORP. "A"	95,583,432	286,750	-	-	95,583,432	286,750	-	-	-	-
MAB	0.001	MANILA MINING CORP. "B"	15,578,931	46,737	3,000,000	9,000	18,578,931	55,737	-	-	-	-
MAC	5.440	MACROASIA CORPORATION	181,360	986,598	83,300	453,152	264,660	1,439,750	-	-	-	-
MAH	0.830	METRO ALLIANCE HLDGS & EQUITIES "A"	10,000	24,900	-	-	10,000	24,900	-	-	-	-
MARC	0.750	MARC VENTURES HOLDINGS, I	659,420	494,565	265,000	198,750	924,420	693,315	-	-	-	-
MAXS	2.670	MAX'S GROUP, INC.	20,000	53,400	-	-	20,000	53,400	-	-	-	-
MB	0.188	MANILA BULLETIN PUBLISHING CORP.	19,297	3,628	-	-	19,297	3,628	-	-	-	-
MBT	72.000	METROPOLITAN BANK & TRUST CO.	914,713	65,859,336	-	-	914,713	65,859,336	-	-	-	-
MEDIC	0.310	MEDILINES DISTRIBUTORS INCORPORATED	692,000	214,520	50,000	15,500	742,000	230,020	-	-	-	-

FIDELITY SECURITIES, INC.
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STOCK CODE	MARKET VALUE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		TRANSFER OFFICE		IN VAULT	
			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
MEG	2.050	MEGAWORLD CORPORATION	1,323,840	2,713,872	34,000	69,700	1,357,840	2,783,572	-	-	-	-
MER	488.000	MANILA ELECTRIC COMPANY "A"	6,239	3,044,632	-	-	6,239	3,044,632	-	-	-	-
MG	0.094	MILLENIUM GLOBAL HOLDINGS, INC.	12,000	1,128	-	-	12,000	1,128	-	-	-	-
MHC	0.161	MABUHAY HOLDINGS CORPORATION	30,000	4,830	-	-	30,000	4,830	-	-	-	-
MJC	0.000	MANILA JOCKEY CLUB, INC.	692,247	-	-	-	692,247	-	-	-	-	-
MJIC	0.000	MJC INVESTMENT CORP.	31,900	-	-	-	31,900	-	-	-	-	-
MM	0.600	MERRY MART CONSUMER CORP.	256,000	153,600	130,000	78,000	386,000	231,600	-	-	-	-
MONDE	8.600	MONDE NISSIN CORP.	63,700	547,820	25,000	215,000	88,700	762,820	-	-	-	-
MRC	0.840	MRC ALLIED, INC.	157,000	131,880	68,000	57,120	225,000	189,000	-	-	-	-
MRSGL	1.200	METRO RETAIL STORES GROUP, INC.	30,000	36,000	-	-	30,000	36,000	-	-	-	-
MWC	27.000	MANILA WATER CO., INC.	75,800	2,046,600	-	-	75,800	2,046,600	-	-	-	-
MWIDE	2.430	MEGAWIDE CONSTRUCTION CORPORATIO	238,800	580,284	60,000	145,800	298,800	726,084	-	-	-	-
NI	0.385	NIHAO MINERAL RESOURCES, INTL., INC.	85,100	32,764	-	-	85,100	32,764	-	-	-	-
NIKL	3.490	NICKEL ASIA CORP.	463,250	1,616,743	114,400	399,256	577,650	2,015,999	-	-	-	-
NOW	0.590	NOW CORPORATION	421,500	248,685	-	-	421,500	248,685	-	-	-	-
NRCP	0.690	PHIL. NATL REINSURANCE CORP.	9,000	6,210	-	-	9,000	6,210	-	-	-	-
NXGEN	0.000	NEXTGENESIS CORPORATION	54,500	-	-	-	54,500	-	-	-	-	-
OGP	14.020	OCEANAGOLD (PHILIPPINES), INC.	14,200	199,084	-	-	14,200	199,084	-	-	-	-
OM	0.133	OMICO CORPORATION	355,333	47,259	-	-	355,333	47,259	-	-	-	-
OPM	0.007	ORIENTAL PET. & MIN. CORP. "A"	33,970,712	251,383	-	-	33,970,712	251,383	-	-	-	-
OPMB	0.008	ORIENTAL PET. & MIN. CORP. "B"	6,035,387	45,265	-	-	6,035,387	45,265	-	-	-	-
ORE	0.440	ORIENTAL PENINSULA RES. GROUP INC.	131,000	57,640	-	-	131,000	57,640	-	-	-	-
OV	0.008	THE PHILODRILL CORP. "A"	71,717,335	537,880	-	-	71,717,335	537,880	-	-	-	-
PA	1.600	PACIFICA HOLDINGS	53,000	84,800	-	-	53,000	84,800	-	-	-	-
PAL	4.950	PAL HOLDINGS, INC.	53,916	266,884	13,000	64,350	66,916	331,234	-	-	-	-
PBB	9.700	PHIL. BUSINESS BANK	54,375	527,438	-	-	54,375	527,438	-	-	-	-
PBC	15.580	PHIL. BANK OF COMMUNICATIONS	500	7,790	-	-	500	7,790	-	-	-	-
PCOR	2.430	PETRON CORPORATION	276,076	670,865	-	-	276,076	670,865	-	-	-	-
PCP	0.000	PICOP RESOURCES, INC.	9,321,565	-	-	-	9,321,565	-	-	-	-	-
PERC	3.450	PETRO ENERGY RESOURCES CORP.	374,816	1,293,115	-	-	374,816	1,293,115	-	-	-	-
PGOLD	30.850	PUREGOLD PRICE CLUB, INC.	12,500	385,625	5,000	154,250	17,500	539,875	-	-	-	-
PHA	0.174	PREMIERE HORIZON ALLINCE CORP.	2,312,000	402,288	270,000	46,980	2,582,000	449,268	-	-	-	-
PHESE	0.255	PHILIPPINE ESTATE CORPORATION	900,000	229,500	-	-	900,000	229,500	-	-	-	-
PHN	19.000	PHINMA CORPORATION	2,392	45,448	1,000	19,000	3,392	64,448	-	-	-	-
PHR	0.540	PH RESORTS GROUP HOLDINGS INC.	79,320	42,833	25,000	13,500	104,320	56,333	-	-	-	-
PIZZA	7.990	SHAKEYS PIZZA ASIA VENTURES, INC.	4,500	35,955	-	-	4,500	35,955	-	-	-	-
PLUS	27.150	DIGIPLUS INTERACTIVE CORP.	156,217	4,241,292	15,000	407,250	171,217	4,648,542	-	-	-	-
PMPC	5.480	PANASONIC MANUFACTURING PHILS CORP.	724	3,968	-	-	724	3,968	-	-	-	-
PNB	27.700	PHIL. NATIONAL BANK	26,406	731,446	-	-	26,406	731,446	-	-	-	-
PNX	0.000	PHOENIX PETROLEUM PHILS., INC.	263,153	-	-	-	263,153	-	-	-	-	-
PPI	0.000	PHIL. TOWN PROPERTIES, INC.	3,800	-	-	-	3,800	-	-	-	-	-
PRIM	2.130	PRIME MEDIA HOLDINGS	-	-	80,000	170,400	80,000	170,400	-	-	-	-
PRMX	1.810	PRIMEX CORPORATION	20,000	36,200	40,000	72,400	60,000	108,600	-	-	-	-
PSB	58.200	PHILIPPINE SAVINGS BANK	1,274	74,147	-	-	1,274	74,147	-	-	-	-
PSE	164.000	PHILIPPINE STOCK EXCHANGE	3,900	639,600	170,000	27,880,000	173,900	28,519,600	-	-	3,928	-
PTI	0.000	PHILTOWN PROPERTIES, INC.	3,928	-	-	-	-	-	-	-	-	-
PTT	0.000	PT&T CORP.	517,332	-	-	-	517,332	-	-	-	-	-
PX	2.790	PHILEX MINING CORP. "A"	136,499	380,832	50,000	139,500	186,499	520,332	-	-	-	-
PXP	2.870	PXP ENERGY CORPORATION	41,006	117,687	-	-	41,006	117,687	-	-	-	-
RCB	23.850	RIZAL COMM L BANKING CORP A	17,765	423,695	-	-	17,765	423,695	-	-	-	-
RCR	5.850	RL COMMERCIAL REIT, INC.	50,000	292,500	-	-	50,000	292,500	-	-	-	-
REDC	5.100	REPOWER ENERGY DEVELOPMENT CORP.	115,701	590,075	65,200	332,520	180,901	922,595	-	-	-	-
RFM	3.870	RFM CORPORATION	10,800	41,796	-	-	10,800	41,796	-	-	-	-
RLC	13.300	ROBINSON'S LAND CORP.	27,500	365,750	10,000	133,000	37,500	498,750	-	-	-	-
RLT	0.120	PHIL. REALTY & HOLDINGS CORP.	1,100,058	132,007	-	-	1,100,058	132,007	-	-	-	-
ROCK	1.510	ROCKWILL LAND CORPORATION	741,815	365,141	-	-	741,815	365,141	-	-	-	-
ROX	0.000	ROXAS HOLDINGS	11,300	-	-	-	11,300	-	-	-	-	-
RPC	0.000	REYNOLDS PHILIPPINE CORP.	8,571	-	-	-	8,571	-	-	-	-	-
RRHI	36.000	ROBINSONS RETAIL HOLDINGS, INC.	2,800	100,800	-	-	2,800	100,800	-	-	-	-
SBS	4.950	SBS PHILS. CORPORATION	64,583	319,686	-	-	64,583	319,686	-	-	-	-
SCC	34.900	SEMIARA MINING & POWER CORP.	20,600	718,940	-	-	20,600	718,940	-	-	-	-
SECB	87.000	SECURITY BANK CORP.	57,709	5,020,683	660	57,420	58,369	5,078,103	-	-	-	-
SFI	0.058	SWIFT FOODS, INC.	9,067	526	-	-	9,067	526	-	-	-	-
SFIP	1.740	SWIFT FOODS, INC. CONVERTIBLE	9,206	16,018	-	-	9,206	16,018	-	-	-	-

FIDELITY SECURITIES, INC.
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December 31, 2024

STOCK CODE	MARKET VALUE	NAME OF STOCKS	CUSTOMER'S ACCOUNT		DEALER'S ACCOUNT		PHIL. CENTRAL DEPOSITORY		TRANSFER OFFICE		IN VAULT	
			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
SGI	1.030	SOLID GROUP, INC.	30,000	30,900	-	-	30,000	30,900	-	-	-	-
SGP	9.800	SYNERGY GRID & DEVELOPMENT PHILS IN	68,030	666,694	-	-	68,030	666,694	-	-	-	-
SHLPH	7.500	SHELL PILIPINAS CORPORATION	24,000	180,000	-	-	24,000	180,000	-	-	-	-
SHNG	3.940	SHANG PROPERTIES, INC.	220,663	869,412	-	-	220,663	869,412	-	-	-	-
SLF	3028.000	SUNLIFE FIN. SERV. OF CANADA	14	42,392	-	-	14	42,392	-	-	-	-
SLI	2.900	STA. LUCIALAND, INC.	120,000	348,000	-	-	120,000	348,000	-	-	-	-
SM	899.000	SM INVESTMENT CORP.	82	73,718	-	-	82	73,718	-	-	-	-
SMC	86.000	SAN MIGUEL CORP. "A"	95,064	8,175,504	-	-	95,064	8,175,504	-	-	-	-
SMC2J	70.500	SMC SERIES 2-J	25,000	1,762,500	-	-	25,000	1,762,500	-	-	-	-
SMPH	25.150	SM PRIME HOLDINGS, INC.	205,143	5,159,346	5,000	125,750	210,143	5,285,096	-	-	-	-
SOC	0.184	SOCRESOURCES, INC.	75,000	13,800	-	-	75,000	13,800	-	-	-	-
SPM	1.510	SEAFRONT RESOURCES CORP	1,259	1,901	-	-	1,259	1,901	-	-	-	-
SPNEC	1.020	SP NEW ENERGY CORPORATION	930,812	949,428	230,000	234,600	1,160,812	1,184,028	-	-	-	-
SSI	1.180	SSI GROUP, INC.	25,000	79,500	-	-	25,000	79,500	-	-	-	-
STI	1.340	STI EDUCATION SYSTEMS HOLDINGS, INC.	288,000	385,920	-	-	288,000	385,920	-	-	-	-
STN	1.570	STENIEL MANUFACTURING CORP.	23,100	36,267	-	-	23,100	36,267	-	-	-	-
STR	1.470	VISTAMALLS, INC.	5,000	7,350	-	-	5,000	7,350	-	-	-	-
SUN	0.900	SUNTRUST RESORTS HLDGS, INC.	109,600	98,640	-	-	109,600	98,640	-	-	-	-
SWM	0.000	SANITARY WARES MFTG. CORP.	8,000	-	-	-	8,000	-	-	-	-	-
T	0.290	TKC METALS CORP	84,149,689	24,403,410	200,000	58,000	84,149,689	24,461,410	-	-	-	-
TBGI	0.135	TRANSPACIFIC BROADBAND	5,860,000	791,100	100,000	13,500	5,960,000	804,600	-	-	-	-
TECH	1.320	CIRTEK HOLDINGS PHILIPPINES CORPORA	165,611	218,607	63,000	83,160	228,611	301,767	-	-	-	-
TEL	1295.000	PLDT INC.	2,508	3,247,860	-	-	2,508	3,247,860	-	-	-	-
TFHI	63.100	TOP FRONTIER INVESTMENT HOL	1,045	65,940	-	-	1,045	65,940	-	-	-	-
TUGS	0.620	HARBOR STAR SHIPPING SERVICES, INC.	73,000	45,260	30,000	18,600	103,000	63,860	-	-	-	-
UBP	36.000	UNION BANK OF THE PHILS.	304,420	10,959,120	-	-	304,420	10,959,120	-	-	-	-
UNI	0.000	UNIOIL RES. & HOLDINGS CO., INC.	10,000	-	-	-	10,000	-	-	-	-	-
UP	0.000	UNIVERSAL RIGHTFIELD PROP. & HLDGS.	1,710,000	-	-	-	1,710,000	-	-	-	-	-
UPM	0.003	UNITED PARAGON MINING CORP.	15,250,000	42,700	-	-	15,250,000	42,700	-	-	-	-
URC	79.000	UNIVERSAL ROBINA CORPORATION	10,600	837,400	-	-	10,600	837,400	-	-	-	-
UW	0.000	UNIWIIDE HOLDINGS, INC.	1,159,000	-	-	-	-	-	-	-	1,159,000	-
V	0.700	VANTAGE EQUITIES, INC.	23,666,562	16,566,593	431,250	301,875	24,097,812	16,868,468	-	-	-	-
VITA	0.540	VITARICH CORPORATION	1,285,000	693,900	30,000	16,200	1,315,000	710,100	-	-	-	-
VLL	1.480	VISTA LAND & LANDSCAPE, INC.	231,750	342,990	-	-	231,750	342,990	-	-	-	-
VMC	2.000	VICTORIAS MILLING CO., INC.	40,000	80,000	-	-	40,000	80,000	-	-	-	-
VREIT	1.890	VISTAREIT, INC.	70,000	132,300	-	-	70,000	132,300	-	-	-	-
VVT	18.020	VIVANT CORP.	3,124	56,294	-	-	3,124	56,294	-	-	-	-
WEB	1.400	PHIL.WEB.COM, INC.	206,880	289,632	46,000	64,400	252,880	354,032	-	-	-	-
WIN	0.211	WELLEX INDUSTRIES, INC.	57,210	12,071	-	-	57,210	12,071	-	-	-	-
WILCON	14.300	WILCON DEPOT, INC.	100,000	1,430,000	-	-	100,000	1,430,000	-	-	-	-
WPI	0.375	WATERFRONT PHILS. INC.	75,500	28,313	-	-	75,500	28,313	-	-	-	-
X	0.182	XURPAS, INC.	193,000	35,126	-	-	193,000	35,126	-	-	-	-
ZHI	0.072	ZEUS HOLDINGS, INC.	2,580,000	185,760	-	-	2,580,000	185,760	-	-	-	-
TOTAL			1,057,382,581	541,472,114	9,315,687	39,953,390	1,065,535,340	581,425,504	-	-	1,162,928	-

SCHEDULE VII

FIDELITY SECURITIES, INC.
 SCHEDULE SHOWING FINANCIAL SOUNDNESS INDICATORS
 IN TWO COMPARATIVE PERIODS
 UNDER SRC RULE 68, AS AMENDED
 DECEMBER 31, 2024

Ratio	Formula	2024	2024	2023	2023
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	$\frac{63,096,611}{42,044,476}$	1.50	$\frac{58,425,956}{35,992,609}$	1.62
Debt to equity ratio	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$	$\frac{42,044,476}{74,337,537}$	0.57	$\frac{37,528,690}{75,315,965}$	0.50
Asset to equity ratio	$\frac{\text{Total assets}}{\text{Total Equity}}$	$\frac{116,382,013}{74,337,537}$	1.57	$\frac{112,844,655}{75,315,965}$	1.50
Interest rate coverage ratio	$\frac{\text{Earnings before tax}}{\text{Interest expense}}$	$\frac{(7,237,670)}{-}$	-	$\frac{(5,812,723)}{-}$	-
Return on assets	$\frac{\text{Net loss}}{\text{Total assets}}$	$\frac{(5,213,428)}{116,382,013}$	(0.04)	$\frac{(4,950,337)}{112,844,655}$	(0.04)
Return on equity	$\frac{\text{Net loss}}{\text{Total equity}}$	$\frac{(5,213,428)}{74,337,537}$	(0.07)	$\frac{(4,950,337)}{75,315,965}$	(0.07)
Net profit margin	$\frac{\text{Net loss}}{\text{Revenue}}$	$\frac{(5,213,428)}{1,138,876}$	(4.58)	$\frac{(4,950,337)}{3,325,255}$	(1.49)