



SECURITIES AND EXCHANGE COMMISSION

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Company Name: CLSA PHILIPPINES, INC.

Industry Classification: J66930

Company Type: Stock Corporation

Document Information

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Angelica Apostol, CLSA

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for
AUDITED FINANCIAL STATEMENTS

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D	0.00	0.00	0.00	0.00

BROKER DEALER

COMPANY INFORMATION

compliance.manila@cls.com

8860-4000

0998 859 8654

11

April/30

December 31

CONTACT PERSON INFORMATION

Mr. Raymond M. Tempongko

raymond.tempongo@cls.com

8860 4031

N/A

CONTACT PERSON'S ADDRESS

Ayala Triangle Gardens Tower 2 Paseo De Roxas, Corner Makati Ave. Makati City

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.

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

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

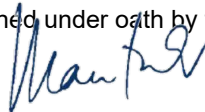
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

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

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

R. G. Manabat & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standard Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signed under oath by the following:



MA. MARTHA A. DE DIOS
Chairman and President



RAYMOND M. TEMPONGKO
Chief Operating Officer



ANGELICA ELAINE S. APOSTOL
Financial Controller

Signed this 25th day of April 2025

CLSA PHILIPPINES, INC.

FINANCIAL STATEMENTS
December 31, 2024 and 2023

With Independent Auditors' Report



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Philippines 1209
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REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
CLSA Philippines, Inc.
Ayala Gardens Tower 2
Ayala Triangle, Makati City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CLSA Philippines, Inc. (the “Company”), which comprise the statements of financial position as at December 31, 2024 and 2023, statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

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

Firm Regulatory Registration & Accreditation:

PRC-BOA Registration No. 0003, valid until September 20, 2026
SEC Accreditation No. 0003-SEC, Group A, valid for the audit of annual financial statements for the year ended December 31, 2024 and until the audit of annual financial statements for the year ended December 31, 2025, pursuant to SEC Notice dated April 4, 2025
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements



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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

**Report on the Supplementary Information Required Under Revenue Regulations
No. 15-2010 of the Bureau of Internal Revenue**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 25 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

R.G. MANABAT & CO.

Vanessa P. Macamos

VANESSA P. MACAMOS

Partner

CPA License No. 0102309

SEC Accreditation No. 102309-SEC, Group A, valid for five (5) years
covering the audit of 2022 to 2026 financial statements

Tax Identification No. 920-961-311

BIR Accreditation No. 08-001987-038-2022

Issued June 27, 2022; valid until June 27, 2025

PTR No. MKT 10467183

Issued January 2, 2025 at Makati City

April 25, 2025

Makati City, Metro Manila



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SUPPLEMENTAL WRITTEN STATEMENT OF AUDITOR

The Board of Directors and Stockholders
CLSA Philippines, Inc.
Ayala Gardens Tower 2
Ayala Triangle, Makati City

We have audited the accompanying financial statements of CLSA Philippines, Inc. (the "Company") as at and for the year ended December 31, 2024, on which we have rendered our report dated April 25, 2025.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the said Company has one (1) stockholder owning more than one hundred (100) shares.

R.G. MANABAT & CO.

Vanessa P. Macamos

VANESSA P. MACAMOS
Partner
CPA License No. 0102309
SEC Accreditation No. 102309-SEC, Group A, valid for five (5) years
covering the audit of 2022 to 2026 financial statements
Tax Identification No. 920-961-311
BIR Accreditation No. 08-001987-038-2022
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PTR No. MKT 10467183
Issued January 2, 2025 at Makati City

April 25, 2025
Makati City, Metro Manila

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until September 20, 2026
SEC Accreditation No. 0003-SEC, Group A, valid for the audit of annual financial statements for the year ended December 31, 2024
and until the audit of annual financial statements for the year ended December 31, 2025, pursuant to SEC Notice dated April 4, 2025
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024
financial statements



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**REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY SUPPLEMENTARY INFORMATION FOR FILING
WITH THE SECURITIES AND EXCHANGE COMMISSION**

The Board of Directors and Stockholders
CLSA Philippines, Inc.
Ayala Gardens Tower 2
Ayala Triangle, Makati City

We have audited the accompanying financial statements of CLSA Philippines, Inc. (the "Company") as at and for the year ended December 31, 2024, on which we have rendered our report dated April 25, 2025.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Company taken as a whole. The supplementary information included in Schedule I - Reconciliation of Retained Earnings Available for Dividend Declaration is the responsibility of the Company's management.

Firm Regulatory Registration & Accreditation:
PRC-BOA Registration No. 0003, valid until September 20, 2026
SEC Accreditation No. 0003-SEC, Group A, valid for the audit of annual financial statements for the year ended December 31, 2024 and until the audit of annual financial statements for the year ended December 31, 2025, pursuant to SEC Notice dated April 4, 2025
IC Accreditation No. 0003-IC, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements (2019 financial statements are covered by IC Circular Letter (CL) No. 2019-39, Transition clause)
BSP Accreditation No. 0003-BSP, Group A, valid for five (5) years covering the audit of 2020 to 2024 financial statements



This supplementary information is presented for purposes of complying with the Revised Securities Regulation Code Rule 68 and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audits 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.

R.G. MANABAT & CO.

Vanessa P. Macamos

VANESSA P. MACAMOS

Partner

CPA License No. 0102309

SEC Accreditation No. 102309-SEC, Group A, valid for five (5) years
covering the audit of 2022 to 2026 financial statements

Tax Identification No. 920-961-311

BIR Accreditation No. 08-001987-038-2022

Issued June 27, 2022; valid until June 27, 2025

PTR No. MKT 10467183

Issued January 2, 2025 at Makati City

April 25, 2025

Makati City, Metro Manila

CLSA PHILIPPINES, INC.
STATEMENTS OF FINANCIAL POSITION

December 31

	Note	2024			2023		
		Book Value	Security Valuation		Book Value	Security Valuation	
			Long	Short		Long	Short
ASSETS							
Current Assets							
Cash and cash equivalents	5, 6	P455,040,819	P -	P -	P399,127,453	P -	P -
Financial assets at fair value through profit or loss (FVTPL)	5, 7	3,954,393	3,954,393	-	4,270,360	4,270,360	-
Trade receivables:							
Customers	5, 8	163,484,809	297,031,435	136,136,410	211,765,618	283,176,982	73,499,901
Clearing House	5, 9	67,353,689	-	-	-	-	-
Due from related parties	5, 24	9,585,090	-	-	24,842,612	-	-
Other current assets	12	13,580,465	-	-	20,342,020	-	-
Total Current Assets		712,999,265	300,985,828	136,136,410	660,348,063	287,447,342	73,499,901
Non-current Assets							
Property and equipment	10	138,255,461	-	-	172,216,157	-	-
Trading right	11	8,000,000	-	-	8,000,000	-	-
Deferred income tax assets - net	23	23,099,163	-	-	23,315,777	-	-
Rental deposit	5, 21	3,132,568	-	-	3,132,568	-	-
Other non-current assets	12	55,361,492	-	-	53,476,934	-	-
Total Non-current Assets		227,848,684	-	-	260,141,436	-	-
		P940,847,949	P300,985,828	P136,136,410	P920,489,499	P287,447,342	P73,499,901

Forward

December 31

	Note	2024			2023		
		Book Value	Security Valuation		Book Value	Security Valuation	
			Long	Short		Long	Short
Securities							
With Philippine Depository and Trust Corporation		P -	P -	P26,736,435,262	P -	P -	P26,736,435,262
In transit		-	-	209,320,906	-	-	209,320,906
CURRENT LIABILITIES							
Trade payables to:							
Customers	5, 8	227,214,460	29,071,000,023	239,360,535	1,678,089	26,745,388,951	13,580,223
Clearing House	5, 9	-	-	-	208,974,651	-	-
Due to related parties	24	2,176,371	-	-	1,036,890	-	-
Accrued expenses and other liabilities	13	59,548,619	-	-	80,700,866	-	-
Total Current Liabilities		288,939,450	29,071,000,023	239,360,535	292,390,496	26,745,388,951	13,580,223
Non-current Liabilities							
Retirement benefit obligation	14	27,403,444	-	-	27,299,649	-	-
Lease liability	21	82,443,393	-	-	90,427,170	-	-
Total Non-current Liabilities		109,846,837	-	-	117,726,819	-	-
Total Liabilities		398,786,287	29,071,000,023	239,360,535	410,117,315	26,745,388,951	13,580,223
EQUITY							
Share capital	15	100,268,734	-	-	100,268,734	-	-
Remeasurement loss on retirement liability	14	(9,448,435)	-	-	(11,216,628)	-	-
Retained earnings:							
Unappropriated		127,197,890	-	-	229,295,036	-	-
Appropriated	15	324,043,473	-	-	192,025,042	-	-
Total Equity		542,061,662	-	-	510,372,184	-	-
		P940,847,949	P29,071,000,023	P239,360,535	P920,489,499	P26,745,388,951	P13,580,223

See Notes to the Financial Statements.

CLSA PHILIPPINES, INC.
STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31	
	Note	2024	2023
REVENUE			
Commission	16	P322,306,458	P416,153,735
COST OF SERVICES			
Compensation and fringe benefits	17	94,338,525	93,213,505
Exchange fees	18	31,760,281	25,139,603
Telephone and postage	19	14,889,298	18,204,315
Research		14,482,491	13,590,895
Others		733,242	871,391
		156,203,837	151,019,709
GROSS PROFIT		166,102,621	265,134,026
GENERAL AND OPERATING EXPENSES			
Depreciation and amortization	10	35,013,871	34,060,290
Allocated regional expenses - net	24	26,000,096	61,193,658
Repairs and maintenance	10	17,051,541	25,758,589
Compensation and fringe benefits	17	15,861,725	16,184,769
Transportation and travel		7,808,696	7,543,474
Occupancy costs	21	6,562,839	19,704,888
Professional fees		3,292,999	2,860,794
Taxes and licenses		1,535,621	1,814,299
Office supplies		1,006,242	1,554,586
Others	20	13,649,599	18,398,779
		127,783,229	189,074,126
OPERATING PROFIT		38,319,392	76,059,900
OTHER INCOME - Net			
Interest and other income - net	22	2,579,428	2,977,042
Net gains from financial assets at FVTPL	7	28,642	308,898
		2,608,070	3,285,940
PROFIT BEFORE INCOME TAX		40,927,462	79,345,840
INCOME TAX EXPENSE	23	11,006,177	35,905,443
PROFIT FOR THE YEAR		29,921,285	43,440,397
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Item that will not be reclassified to profit or loss</i>			
Remeasurement gain (loss) on defined benefit plan - net of tax effect	14	1,768,193	(3,732,578)
TOTAL COMPREHENSIVE INCOME		P31,689,478	P39,707,819

See Notes to the Financial Statements.

CLSA PHILIPPINES, INC.
STATEMENTS OF CHANGES IN EQUITY

Years Ended December 31

	Share Capital (Note 15)				Remeasurement Loss on Retirement Liability (Note 14)	Retained Earnings (Note 15)			Total Equity
	Preferred	Common	Treasury	Total		Unappropriated	Appropriated	Total	
Balance at January 1, 2023	P95,000,000	P5,269,400	(P666)	P100,268,734	(P7,484,050)	P190,198,679	P187,681,002	P377,879,681	P470,664,365
Comprehensive Income (Loss)									
Profit for the year	-	-	-	-	-	43,440,497	-	43,440,397	43,440,397
Other comprehensive loss	-	-	-	-	(3,732,578)	-	-	-	(3,732,578)
Total comprehensive income for the year	-	-	-	-	(3,732,578)	43,440,397	-	43,440,397	39,707,819
Transaction With Owner									
Appropriated earnings	-	-	-	-	-	(4,344,040)	4,344,040	-	-
Balance at December 31, 2023	95,000,000	5,269,400	(666)	100,268,734	(11,216,628)	229,295,036	192,025,042	421,320,078	510,372,184
Comprehensive Income									
Profit for the year	-	-	-	-	-	29,921,285	-	29,921,285	29,921,285
Other comprehensive income	-	-	-	-	1,768,193	-	-	-	1,768,193
Total comprehensive income for the year	-	-	-	-	1,768,193	29,921,285	-	29,921,285	31,689,478
Transaction With Owner									
Appropriated earnings	-	-	-	-	-	(129,026,300)	129,026,300	-	-
Legal reserves	-	-	-	-	-	(2,992,129)	2,992,129	-	-
	-	-	-	-	-	(132,018,429)	132,018,429	-	-
Balance at December 31, 2024	P95,000,000	P5,269,400	(P666)	P100,268,734	(P9,448,435)	P127,197,892	P324,043,471	P451,241,363	P542,061,662

See Notes to the Financial Statements.

CLSA PHILIPPINES, INC.
STATEMENTS OF CASH FLOWS

Years Ended December 31			
	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		P40,927,462	P79,345,840
Adjustments for:			
Depreciation	10	35,013,871	34,060,290
Interest expense on lease liability	21	5,873,027	6,153,005
Retirement expense	14, 17, 24	5,859,310	5,159,567
Interest income on cash	6, 22	(1,431,164)	(1,016,902)
Unrealized foreign exchange loss (gain) - net	22	(696,030)	857,080
Dividend income	7, 22	(317,751)	(315,390)
Unrealized fair value gain on financial assets at fair value through profit or loss	7	(58,193)	(422,878)
Interest expense on tax deficiencies	20	-	6,946,602
Fixed assets written off	20	-	652,196
Penalties and other taxes		-	361,019
Gain on modification of lease	21	-	(869)
Operating income before changes in operating assets and liabilities		85,170,532	131,779,560
Changes in operating assets and liabilities		-	-
(Increase) decrease in:			
Financial assets at fair value through profit or loss		374,160	-
Trade receivables from:			
Customers		48,280,809	79,016,440
Clearing house		(67,353,689)	-
Due from related parties		15,200,751	(24,949,603)
Other current assets		(4,499,602)	3,217,372
Increase (decrease) in:			
Trade payables to:			
Customers		225,536,371	(259,032,028)
Clearing house		(208,974,651)	184,688,020
Due to related parties		1,139,481	(102,107,556)
Accrued expenses and other liabilities		(21,947,338)	(1,184,463)
Cash generated from operations		72,926,824	11,427,742
Income tax paid		-	-
Interest paid on lease liability	21	(5,873,027)	(6,153,005)
Contributions to plan assets	14	(3,397,925)	(3,347,704)
Dividend received		1,476,689	594,365
Interest received		1,431,164	1,016,902
Net cash from operating activities		66,563,725	3,538,300

Forward

Years Ended December 31			
	Note	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	10	(P1,053,175)	(P65,870,414)
Contributions to Clearing and Trade Guaranty Fund		(3,159,214)	(2,754,309)
Receipt of long-term refundable rent deposits		-	3,039,035
Net cash used in investing activities		(4,212,389)	(65,585,688)
CASH FLOWS FROM FINANCING ACTIVITY			
Payment of principal portion of lease liability	21	(7,116,482)	(3,486,144)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		55,234,854	(65,533,532)
CASH	6		
January 1		399,127,453	463,954,867
Effect of exchange rate changes on cash		678,512	706,118
December 31		P455,040,819	P399,127,453

See Notes to Financial Statements.

CLSA PHILIPPINES, INC.
NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Corporate Profile

CLSA Philippines, Inc. (the “Company”) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on March 10, 1997 primarily to engage in the business of stockbrokerage and dealing in securities.

The Company is a wholly-owned subsidiary of CLSA B.V. (the “Parent Company”), a company incorporated in the Netherlands. The Company’s ultimate holding company is CITIC Securities Company Limited, incorporated in the People’s Republic of China.

The Company’s registered office address, which is also its principal place of business, is located at the Ayala Gardens Tower 2, Ayala Triangle, Makati City.

As at December 31, 2024 and 2023, the Company has 30 and 29 regular officers and employees, respectively.

2. Basis of Preparation

Statement of Compliance

These financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards as issued by the Philippine Financial and Sustainability Reporting Standards Council (FSRSC). PFRS Accounting Standards are based on IFRS Accounting Standards issued by the International Accounting Standards Board (IASB).

Basis of Measurement

The financial statements have been prepared under the historical cost convention, except for the following items:

Items	Measurement Bases
Financial instruments at fair value through profit or loss (FVTPL)	Fair value
Retirement liability	Present value of the defined benefit obligation less the fair value of plan assets
Lease liabilities	Present value of remaining lease payments discounted using the Company incremental borrowing rate

The preparation of financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Philippine Peso, which is the Company's functional and presentation currency.

Approval for Issuance of Financial Statements

These financial statements have been approved and authorized for issuance by the Company's Board of Directors (BOD) on April 25, 2025.

3. Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Forthcoming Standards

PFRS 18 will replace PAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories.
- Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's statement of income, the statement of total comprehensive income, the statement of cash flows and the additional disclosures required for MPMs. The Company is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income (OCI) or through profit or loss], and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

As at December 31, 2024 and 2023, there are no financial assets classified under FVOCI.

Recognition and Measurement of Financial Assets

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income (expenses), net, using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other income (expenses), net, together with foreign exchange gains and losses, if any. Impairment losses, if any, are presented in general and operating expenses in the statements of comprehensive income.

The Company's financial assets at amortized cost consist of cash, trade receivables from customer and clearing house, due from related parties, rental deposits, and other current and non-current financial assets (except for prepaid expenses, creditable withholding taxes and other non-financial assets).

Equity Instruments

For financial assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Company's financial asset carried at FVTPL pertain only to its investments in equity shares (Note 7). As at December 31, 2024 and 2023, financial assets at FVTPL amount to P3,954,393 and P4,270,360, respectively.

Impairment of Financial Assets Carried at Amortized Cost

The Company applies the PFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables. To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of counterparties over a period of 36 months period and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the inflation rate of the country in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Financial Liabilities

The Company classifies its financial liabilities in the following categories: financial liabilities at FVTPL and financial liabilities at amortized cost.

Other Liabilities Measured at Amortized Cost

Financial liabilities that are not classified as at FVTPL fall into this category. Financial liabilities measured at amortized cost mainly pertain to trade payables to customers, clearing house, due to related parties and accrued expenses and other liabilities (except sales tax payable, withholding tax payable, provisions, VAT payable and other non-financial liabilities) as shown in the statements of financial position.

These are recognized initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

The financial assets and liabilities that were offset as at and for the years ended December 31, 2024 and 2023 are mainly related to trade receivables from and payable to customers and clearing house (Note 8 and Note 9).

The Company's income and expenses are reported on a net basis when the following criteria are met:

- The Company has a legally enforceable right to set off the recognized amounts; and
- The Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The service level agreement charges and residual profit split recorded under 'Allocated Regional Expenses - net' transacted with the CLSA Ltd. under legally enforceable netting arrangements were offset in the statements of comprehensive income.

Clearing and Trade Guaranty Fund (CTGF)

CTGF is the accumulated contribution of the Company to the Securities Clearing Corporation of the Philippines (SCCP). The CTGF shall be a risk management tool designed to protect clearing members against the default of a clearing member to deliver its committed securities and/or cash for settlement. This fund is recognized at the amount of contribution and is refundable to the Company upon cessation of its business or termination of its membership with SCCP.

Property and Equipment

Items of property and equipment, including leasehold improvement, are stated at historical cost less accumulated depreciation and amortization and impairment, if any. Historical cost includes its purchase price and other expenditure that is directly attributable to the acquisition of the items to bring the asset to the location and working condition necessary for the asset to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of the asset less residual value over its estimated useful life, as follows:

	Number of Year
Computer equipment	3 - 5
Furniture, fixtures and equipment	5
Leasehold improvements	shorter of lease term or 3

Major renovations are depreciated over the remaining useful life of the related asset.

The assets' residual values and useful lives are reviewed, and adjusted as appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

The Company derecognizes the carrying amount of an item of property and equipment on disposal or when no future economic benefits are expected from its use or disposal.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

Trading Right

Trading right, which has an indefinite useful life, is carried at cost less any accumulated impairment losses. The carrying value of trading right is reviewed for impairment annually and whenever there is an indication that it may be impaired. Trading right that suffered impairment is reviewed for possible reversal of impairment using the last transacted price at each reporting date. Trading right is deemed to have an indefinite useful life as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. Trading rights are classified as non-current assets as the Company does not intend to sell the trading right in the near future.

Impairment of Non-financial Assets

Assets that have an indefinite useful life, such as trading right, are not subject to amortization and are, instead, tested annually for impairment. Assets that have definite useful life, such as property and equipment, are subject to depreciation or amortization and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Income Taxes

The tax expense for the year comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current Income Tax

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the reporting date.

Deferred Income Tax

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax losses (net operating loss carryover or NOLCO) and unused tax credits (excess MCIT) to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. The Company reassesses at each reporting date the need to recognize a previously unrecognized deferred income tax asset. Deferred income tax liability is recognized in full for all taxable temporary differences.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Provisions

Provisions are recognized when, the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to passage of time is recognized as interest expense.

The estimates of outcome and financial effect are determined by the judgement of the management of the entity, supplemented by experience of similar transactions and, in some cases, reports from independent experts. The evidence considered includes any additional evidence provided by events after the reporting period.

Provisions shall be reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed.

Employee Benefits

Retirement Plan

The Company maintains a defined contribution (DC) plan that covers all its regular full-time employees. Under the DC plan, the Company pays fixed contributions based on the employees' monthly salaries. The Company, however, is covered under Republic Act (RA) No. 7641, *The Philippine Retirement Law*, which provides for its qualified employees a defined benefit minimum guarantee. The defined benefit minimum guarantee is equivalent to a certain percentage of the monthly salary payable to an employee at normal retirement age with the required credited years of service based on the provisions of RA No. 7641.

Accordingly, the Company accounts for its retirement obligation under the higher of the defined benefit obligation relating to the minimum guarantee and the obligation arising from the DC plan.

For the defined benefit minimum guarantee plan, the liability is determined based on the present value of the excess of the projected defined obligation over the projected DC obligation at the end of the reporting period. The calculation of defined benefit obligation is performed on a periodic basis by a qualified actuary using the projected unit credit method. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognized in the statements of income.

The DC asset, on the other hand, is measured at the fair value of the DC assets upon which the DC benefits depend, with an adjustment for the margin on asset returns, if any, where this is reflected in the DC benefits.

Remeasurement of the retirement liability, which comprises actuarial gains and losses and the effect of the asset ceiling, if any, excluding interest, is recognized immediately in other comprehensive income (OCI).

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

The net defined benefit is presented as "Retirement benefit asset" account in the statements of financial position.

The Company recognized retirement expense as part of "Cost of services" account in the statements of income.

Short-term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present or legal constructive obligation to pay this amount as a result of past service provided by the employees and the obligation can be estimated reliably.

Bonuses and Incentives

The Company recognizes a liability and an expense for bonus and incentives based on amounts approved by management. The Company recognizes a provision when contractually obliged or when there is a past practice that has created a constructive obligation.

Share Capital

Common and preferred shares are classified as equity. These shares are initially recognized at the amount of consideration received less any incremental transaction costs and the related income tax effects, directly attributable to the issue of new shares. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, are included in equity attributable to the Company's equity holders.

Where the Company purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, net of income taxes, is deducted from equity until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, is included in equity.

Income Recognition

Commission

The Company has applied PFRS 15 where revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer (i.e. an asset). An asset is transferred when (or as) the customer obtains control of that asset.

The Company's commission income is recognized at point in time upon the execution of the underlying trade transactions.

When control of a good or service is transferred over time, that is, when the customer simultaneously receives and consumes the benefits, the Company satisfies the performance obligation and recognizes revenue over time. Otherwise, revenue is recognized at the point in time at the point of transfer control of the good or service to the customer.

Commissions are recognized in profit or loss on transaction date when trade deals are confirmed.

Leases (Where the Company is the Lessee)

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease components on the basis of its relative stand-alone prices.

The Company recognizes a ROU asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. A lessee applies PAS 36 to determine whether the ROU asset is impaired.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Interest expense is recognized in the statements of comprehensive income under Interest income (expenses) -net over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

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

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

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payment arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the profit or loss if the carrying amount of the ROU asset has been reduced to zero or the change in the lease liability relates to variable lease payment that does not depend on an index or rate.

Lease Modification

Lease modifications are accounted either as a separate lease or not a separate lease. The Company accounts for the lease modification as a separate lease if both:

- the modification increases the scope of the lease by adding the right of use to one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For lease modification that is not accounted for a separate lease, at the effective date of lease modification, the Company:

- allocates the consideration in the modified contract on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components;
- determine the lease term of the modified lease; and
- remeasure the lease liability by discounting the revised lease payments using a revised discount rate.

The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term, or the lessee's incremental borrowing rate at the effective date of the modification, if the interest rate implicit in the lease cannot be readily determined.

For a lease modification that is not accounted for as a separate lease, the Company accounts for the remeasurement of the lease liability by:

- decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease; and
- making a corresponding adjustment to the right-of-use asset for all other lease modifications.

Operating Lease - The Company as Lessor

The Company subleases a portion of the premises it is currently occupying. The Company has determined that the risk and rewards of ownership of the premises have not been transferred to the lessee and so accounts for the lease as an operating lease.

Cost and Other Expenses

Allocated Regional Expenses - net

The Company recognizes allocated regional expenses arising from intra-group arrangements in accordance with the Service Level Agreement (SLA) and the Transfer Pricing Policy for Institutional Equities. These pertain to allocated expenses incurred for front office brokerage, marketing, sales, and research services, offset by the Company's share in the profit under the Residual Profit Split method.

General and Operating Expenses

Cost and other expenses are recorded in profit or loss in the period in which they are incurred.

4. Significant Accounting Estimate and Judgments

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities.

The resulting accounting estimate will, by definition, seldom equal the related actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates, assumptions, and judgments 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.

Significant Accounting Estimates

Fair Value of Financial Instruments (Note 7)

Fair value is based upon quoted market prices, where available. If listed prices or quotes are not available, fair value is based upon internally developed models that primarily use as inputs market-based or independently sourced market parameters. The Company's financial assets at FVTPL in 2024 and 2023 comprise primarily of PSE shares which have an active market, wherein these shares are traded or can be bought or sold.

The sensitivity analysis on the reasonably possible changes in market prices of the Company's securities is disclosed in Note 5.

Useful Lives of Property and Equipment (Note 10)

The Company's management determines the estimated useful lives of its property and equipment based on the period over which the assets are expected to be available for use. The Company annually reviews the estimated useful lives of property and equipment based on factors that include asset utilization, internal technical evaluation, technological changes, environmental and anticipated use of assets tempered by related industry benchmark information. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned.

The table below shows the impact on the carrying amount of property and equipment if the actual useful lives as at December 31 were to differ by +/- 10%:

	2024	2023
+10%	P1,506,768	P2,053,589
-10%	(1,984,463)	(2,471,639)

Estimation of Retirement Benefit Obligation (Note 14)

The present value of the retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining pension cost include the discount rate. Any changes in these assumptions will impact the carrying amount of retirement obligation.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement obligation. In determining the appropriate discount rate, the Company considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related retirement obligation.

Other key assumptions for retirement obligations are based in part on current market conditions.

The sensitivity analysis of retirement benefits is disclosed in Note 14.

Determination of the Incremental Borrowing Rate (Note 21)

The lease payments for the Company's lease agreements are discounted using the interest rate implicit in the lease, or if not available, the Company's incremental borrowing rate, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar terms, security and conditions.

The incremental borrowing rate applied to measure the lease liabilities with regard to lease contract with Ayala Land Inc. as at August 1, 2022, commencement date of the lease, is 6.20%.

Critical Accounting Judgments

Impairment of Property and Equipment, net (Note 10)

Assets subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In assessing whether there is any indication that an asset may be impaired, management considers the obsolescence or physical damage of an asset, internal technical evaluation, and anticipated use of assets tempered by related industry benchmark information during the reporting periods. If any such evidence exists, changes in those judgments could have a significant effect on the carrying value of these assets subject to depreciation and the amount and timing of recorded impairment loss for any period.

As at the reporting periods, management believes that there are no indications of impairment or changes in circumstances indicating that the carrying value of the Company's assets subject to depreciation may not be recoverable.

Impairment of Trading Right (Note 11)

The Company's management assesses the carrying amount of trading right at each reporting date to determine whether there is any indication of impairment. The recoverable amount of trading right is determined by reference to its last transacted price. Reversals of impairment loss are recognized if there has been a change in the estimates used to determine the recoverable amount.

As at December 31, 2024 and 2023, allowance for impairment of trading right amounts to P24,059,524. The Company did not recognize any additional allowance for impairment nor reversals during the year.

Impairment of Creditable Withholding Tax (Note 12)

The Company reviews the carrying value of creditable withholding tax for impairment. The Company will set up an allowance for impairment at a level considered adequate to provide for potential unrecoverable creditable withholding taxes or write-off if based on the best available facts and circumstances, creditable withholding taxes can no longer be recovered or utilized. The level of allowance is evaluated by the Company on the basis of such factors including but not limited to, ability to support the balance with creditable withholding tax certificates, ability to claim for refund and availability of taxable income against which the creditable withholding tax can be applied. The Company reviews the status of creditable withholding taxes, and identifies accounts to be provided with allowance or to be written-off on a continuous basis.

The amount and timing of recorded expenses for any period would differ if different judgments were made. An increase in allowance for impairment would increase recorded costs and expenses and decrease the related assets.

As at December 31, 2024 and 2023, no allowance for impairment was recognized as management believes that its creditable withholding taxes will be recovered or utilized in the future.

Realization of Deferred Income Tax Assets (Note 23)

Management reviews at each reporting date the carrying amount of its deferred income tax assets. The carrying amount of deferred income tax assets is reduced to the extent that it cannot be utilized due to insufficient taxable profit against which the deferred income tax assets will be applied.

Management believes that sufficient taxable profit will be generated to allow all or part of the deferred income tax assets to be utilized.

5. Financial Risk and Capital Management

The Company's activities expose it to a variety of financial risks, which include market risk (price, foreign exchange and interest rate risks), credit risk and liquidity risk.

Risk management is monitored on the overall by the CLSA Group's Assets and Liabilities Management Committee (ALCO) which comprise a member from the Board of Directors and senior members from certain functional departments. ALCO identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units, including the Company. The Committee issues guidelines for overall risk management, covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investing excess liquidity. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance, including the Company.

The accounting policies for financial instruments have been applied to the items below as at December 31:

	2024			2023		
	At Amortized Cost	At FVTPL	Total	At Amortized Cost	At FVTPL	Total
Assets						
Financial assets at FVTPL	P -	P3,954,393	P3,954,393	P -	P4,270,360	P4,270,360
Trade receivables:						
Customers	163,484,809	-	163,484,809	211,765,618	-	211,765,618
Clearing House	67,353,689	-	67,353,689	-	-	-
Due from related parties	9,585,090	-	9,585,090	24,842,612	-	24,842,612
Deposit with suppliers	842,366	-	842,366	842,366	-	842,366
Dividend receivable	21,157	-	21,157	1,180,095	-	1,180,095
Rental deposits	3,132,568	-	3,132,568	3,132,568	-	3,132,568
	P244,419,679	P3,954,393	P248,374,072	P241,763,259	P4,270,360	P246,033,619
Liabilities						
Trade payables to:						
Customers	P227,214,460	P -	P227,214,460	P1,678,089	P -	P1,678,089
Clearing house	-	-	-	208,974,651	-	208,974,651
Due to related parties	2,176,371	-	2,176,371	1,036,890	-	1,036,890
Accrued expenses and other liabilities*	41,725,330	-	41,725,330	42,476,695	-	42,476,695
Lease liability	90,599,809	-	90,599,809	97,716,291	-	97,716,291
	P361,715,970	P -	P361,715,970	P351,882,616	P -	P351,882,616

*Amount excludes sales tax payable, withholding tax payable, VAT payable, provisions and other non-financial liabilities

Market Risk

The Company is exposed to market risk (i.e. price, foreign exchange and interest rate risks), the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices as described below.

Price Risk

The Board of Directors of the Company manages price risk by setting and monitoring objectives and constraints on investment, diversification plan and limit on investments.

The Company is exposed to equity securities price risk to the extent of its investment in listed equity securities classified as financial assets at FVTPL (Note 7).

At December 31, 2024 and 2023, if the market value of PSE shares depreciated or appreciated by (3.53%) and 8.56%, respectively, based on previous year's performance of PSE shares, net income after tax and equity as at and for the years ended December 31, 2024 and 2023 would have been lower or higher by P0.11 million and P0.24 million, respectively.

	Movement in Market Value of Shares	Impact on Profit Before Tax	Impact on Equity
2024	(3.53%)	(P144,000)	(P108,000)
2023	8.56%	324,475	243,356

Foreign Exchange Risk

The Company transacts with its related parties and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the U.S. Dollar. Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Company engages in currency risk management to minimize the risk that the business has from the impact of fluctuations in currency exchange rates. The Company does not speculate in currencies. Active management of exposures involves an ongoing assessment of the risks facing the business, determining the most efficient methods of minimizing these risks, and reducing the overall cost of currency to the business. The Company has developed a clear set of policies and control structures for currency management including the timely and accurate reporting of exposures. Further, management manages the timing of settlements/payments to ensure that the Company is not unfavorably exposed to fluctuations of foreign exchange rates.

The Company's foreign currency denominated assets and liabilities as at December 31 are as follows:

	2024		2023	
	(in USD)	(in HKD)	(in USD)	(in SGD)
Cash	1,349,461	-	129,255	-
Due from (to) related parties	140,939	(146,843)	421,307	(18,688)
Net foreign currency assets (liabilities)	1,490,400	(146,843)	550,562	(18,688)
Year-end exchange rates	57.84	7.47	55.38	41.93
PHP equivalent	P86,204,736	(P1,096,917)	P30,490,124	(P783,588)

The analysis below is performed for reasonable possible movements in USD, the material foreign currency, with all other variables held constant, showing the impact on profit for the year (due to changes in fair value of currency sensitive monetary assets and liabilities) and equity. The impact of SGD and HKD is considered not significant to the financial statements. The fluctuation rate is based on the historical movement of foreign currency to Philippine Peso year-on-year.

	Movement in Philippine Peso Against Foreign Currency	Impact on Profit Before Tax	Impact on Equity
2024			
USD	+4.45%	P3,836,111	P2,877,083
USD	-4.45%	(3,836,111)	(2,877,083)

2023	Movement in Philippine Peso Against Foreign Currency	Impact on Profit Before Tax	Impact on Equity
USD	+0.64%	P194,205	P145,654
USD	-0.64%	(194,205)	(145,654)

Unrealized foreign exchange gain (loss) for the year ended December 31, 2024 and 2023 amounted to P696,030 and (P857,080), respectively (Note 22).

Interest Rate Risk

The Company is not exposed to any significant interest rate risk as its financial assets and liabilities are non-interest bearing, except for cash in bank which earns interest at fixed bank interest rates.

Credit Risk

Credit risk is the risk that a counterparty will cause a financial loss to the Company by failing to discharge an obligation.

The Company's significant credit risk arises mainly from securities transactions with a related entity under common control (Note 24), and other customers (Note 8). The amounts due from counterparties for securities transactions are settled using a transaction date plus 2-day market convention. In addition, the Company has policies that limit the amount of credit exposure to counterparties. Customers are allowed to open securities account only upon written endorsement by authorized members of management and after a satisfactory review of financial standing. Annual review of customer's financial standing is conducted to determine if there had been material changes since the last review. Moreover, securities owned by customers are held as collateral for amounts due from customers (Note 8).

To manage its exposures with counterparty banks, the Company's cash and deposit transactions should be limited only to highly rated universal and commercial banks. Furthermore, to control and sustain minimal exposure to credit risk from its trade receivables from customers and brokers, purchase transactions of clients will be allowed against available cash position or earmarked against current stock position. The Company does not maintain margin accounts.

The Company's maximum credit risk exposure relating to financial assets as at December 31 follows:

	Note	2024	2023
Trade receivables:			
Customers	8	P163,484,809	P211,765,618
Clearing house	9	67,353,689	-
Due from related parties	24	9,585,090	24,842,612
Deposit with suppliers	12	842,366	842,366
Dividend receivable	12	21,157	1,180,095
Rental deposits	21	3,132,568	3,132,568
		P244,419,679	P241,763,259

All financial assets are current and fully performing as at December 31, 2024 and 2023 with no history of counterparty default. Likewise, there was no history of missed payment or write-offs during the observation period used for ECL measurement purpose. Accordingly, management has assessed that the ECL is deemed insignificant for financial reporting purposes.

(a) *Cash in Bank*

The credit quality of cash in banks is based on the Bangko Sentral ng Pilipinas' classification of banks based on their resources and operations in the Philippines. Below are the types of banks where cash in bank is maintained as at December 31:

	Note	2024	2023
Universal bank		P289,089,139	P262,884,162
Commercial bank		165,911,680	136,203,291
	6	P455,000,819	P399,087,453

As at December 31, 2024 and 2023, the Company's cash in banks bear no significant credit risk, with no history of credit defaults and credit losses.

The rest of the Company's cash represent cash on hand of P40,000 as at December 31, 2024 and 2023 (Note 6).

(b) *Trade Receivables from Customers and Clearing House, due from Related Parties, Dividend Receivable and Rental Deposits*

The Company applies the PFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from customers, due from related parties and other receivable.

To measure the ECL, the financial assets have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of customers over a period of 36 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified domestic GDP and the inflation rate as the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Company has trade receivables arising from transactions with customers, clearing house, and related parties. All of these receivables are considered current (not past due) as at December 31, 2024 and 2023. Likewise, there was no history of default or missed payment or write-offs during the observation period used for ECL measurement purposes. These receivables are either fully or partially secured by securities owned by customers.

Due from related parties are classified as fully performing as at December 31, 2024 and 2023. Moreover, the counterparties have a very remote likelihood of default. As at December 31, 2024 and 2023, management assessed that there is no required allowance for impairment losses on its due from related parties as the accounts are classified as current.

Rental deposits, dividends receivable and deposit with suppliers are fully performing with no history of counterparty default.

The Company has no renegotiated financial assets in 2024 and 2023.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the business, management aims to maintain flexibility in funding by keeping committed credit lines available, to cover the settlement of the following financial liabilities:

	Note	2024	2023
Trade payables to:			
Customers	8	P227,214,460	P1,678,089
Clearing house	9	-	208,974,651
Due to related parties	24	2,176,371	1,036,890
Accrued expenses and other liabilities*	13	41,725,330	42,476,695
Lease liability	21	113,309,775	126,148,741
		P384,425,936	P380,315,066

**Excluding sales tax payable, accrued taxes, withholding tax payable, VAT payable, provisions, lease liability and other non-financial liabilities*

The Company expects to settle the above financial obligations in accordance with their contractual maturity date. Financial assets available to settle the above financial liabilities are as follows:

	Note	2024	2023
Trade receivables:			
Customers	8	P163,484,809	P211,765,618
Clearing house	9	67,353,689	-
Due from related parties	24	9,585,090	24,842,612
Deposit with suppliers	12	842,366	842,366
Dividend receivable	12	21,157	1,180,095
Rental deposits	21	3,132,568	3,132,568
		P244,419,679	P241,763,259

The Company is also able to meet unexpected net cash outflows by accessing additional funding sources from its Parent Company, if and when necessary.

Fair Value of Financial Assets and Financial Liabilities

The carrying amounts of financial assets classified as trade receivables, due from related parties, deposits with suppliers, dividend receivable and other financial liabilities summarized in Note 5 approximate their fair values at reporting date considering that these have generally short-term maturities. For rental deposits, the carrying amount approximates fair value as the impact of discounting is not significant. For long-term lease liability, the difference between carrying value and fair value is considered immaterial.

The fair value of financial assets at FVTPL is based on the Philippine Stock Exchange daily quotation report.

Fair Value Hierarchy

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, Philippine Stock Exchange, Inc., Philippine Dealing and Exchange Corp., etc.)

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes the majority of the over-the-counter derivative contracts. The sources of input parameters like LIBOR yield curve or counterparty credit risk is Bloomberg.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

As at December 31, 2024 and 2023, the Company's financial assets at FVTPL amounts to P3,954,393 and P4,270,360, respectively are classified under Level 1 (Note 7). There are no other financial instruments that are carried at fair value and that fall under Levels 2 and 3 categories.

Offsetting of Financial Assets and Liabilities

The following financial instruments are subject to offsetting:

2024			
	Gross Amount of Recognized Financial Assets	Gross Amounts of Recognized Financial Liabilities Set-off in the Statements of Financial Position	Net Amount of Financial Assets Presented in the Statements of Financial Position
Financial Asset			
Trade receivables from customers	P394,864,246	(P231,379,437)	P163,484,809
Due to clearing house	484,309,264	(416,955,575)	67,353,689
Financial Liability			
Trade payables to customers	23,054,826	(250,269,286)	(227,214,460)
2023			
	Gross Amount of Recognized Financial Assets	Gross Amounts of Recognized Financial Liabilities Set-off in the Statements of Financial Position	Net Amount of Financial Assets Presented in the Statements of Financial Position
Financial Asset			
Trade receivables from customers	P358,983,288	(P147,217,670)	P211,765,618
Financial Liability			
Trade payables to customers	148,895,759	(147,217,670)	1,678,089
Due to clearing house	P173,148,770	(P382,123,421)	(P208,974,651)

For the financial assets and liabilities subject to offsetting above, each agreement between the Company and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis.

Capital Management

The Company's objectives when managing capital are to comply with the capitalization requirement through the Risk-Based Capital Adequacy (RBCA) ratio set by the SEC, to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits to other stakeholders and to maintain strong capital base to support the development of its business.

RBCA is the ratio linking the net liquid capital to the broker dealer's total risk exposure calculated as the net liquid capital (NLC) divided by total risk capital requirements (TRCR). TRCR is the sum of the following risks: (a) operational risk requirement, (b) credit risk requirement which include requirements for counterparty risk, settlement risk, large exposure risk and margin financing risk, and (c) position or market risk requirement. As a rule for every trading participant, the Company is required to maintain an RBCA ratio of at least 110% and a NLC of at least P5 million or five percent (5%) of its aggregate indebtedness, whichever is higher. Also, its aggregate indebtedness should not exceed two thousand percent (2,000%) of its NLC. In the event that the minimum RBCA ratio of 110% or the minimum NLC is breached, the Company shall immediately cease doing business as a broker and shall notify the PSE and SEC.

As at December 31, 2024 and 2023, the Company's NLC amounts to **P289,994,581** and P217,442,838 which exceeds the required NLC of **P19,957,415** and P20,505,866, respectively.

As at December 31, 2024 and 2023, the Company's RBCA ratio is 261% and 185%, respectively which is in compliance with the minimum ratio.

The Company monitors its capital structure, including level of accumulated earnings to meet the required minimum RBCA ratio. Dividends are declared as soon as capital reaches a reasonable level to meet operating and RBCA requirements.

6. Cash and Cash Equivalents

The account as at December 31 consists of:

	2024	2023
Cash in banks	P280,250,731	P286,726,545
Short-term investments	174,750,088	112,360,908
Cash on hand	40,000	40,000
	P455,040,819	P399,127,453

As at December 31, 2024 and 2023, cash in banks carry average annual interest rate of 0.3310% and 0.0775%, respectively.

Interest income recognized for the year ended December 31, 2024 and 2023, amounts to P1,431,164 and P1,016,902, respectively (Note 22).

In compliance with the Securities Regulation Code (SRC) Rule 49.2 covering customer protection and custody of securities, the Company maintains special reserve bank accounts (included in cash in banks) for the exclusive benefit of its customers as at December 31, 2024 and 2023 amounting to P1,657,386 and P2,968,508, respectively.

The Company's reserve requirement is determined based on the SEC's prescribed computations. As at December 31, 2024 and 2023, the Company's reserve accounts are adequate to cover its reserve requirements.

7. Financial Assets at FVTPL

The account as at December 31 consists of investments in listed equity securities as follows:

	2024	2023
PSE	P3,936,000	P4,080,000
Others	18,393	190,360
	P3,954,393	P4,270,360

In April 2024, the Company received cash dividends of P10 per share from its investment in PSE shares. In May 2023, the Company received cash dividends of P10 per share from its investment in PSE shares.

Total dividend income earned for the year ended December 31, 2024 and 2023 amounts to P317,751 and P315,390, respectively (Note 22).

The net gains from financial assets at FVTPL for the years ended December 31 is shown below:

	2024	2023
Unrealized fair value gain (loss)	P58,193	P422,878
Realized loss	(29,551)	(113,980)
	P28,642	P308,898

8. Trade Receivables from and Payables to Customers

Trade receivables from customers at December 31 and its security valuation are as follows:

	2024		2023	
	Book Value	Security Valuation	Book Value	Security Valuation
Cash and fully secured accounts	P163,484,809	P433,167,845	P40,461,311	P40,585,939
Partly secured accounts	-	-	171,304,307	169,091,142
	P163,484,809	P433,167,845	P211,765,618	P209,677,081

The account includes amounts due on cash transactions. Securities owned by customers are held as collateral for amounts due from customers. The fair value of such collateral is presented in the statements of financial position under 'Security valuation'.

As at December 31, 2024 and 2023, the Company has trade receivables from CLSA Ltd. amounting to P61.29 million and P170.30 million, respectively. These receivables are fully secured (Note 24).

There was no provision for impairment required and recognized in 2024 and 2023.

Information on offsetting of financial assets and liabilities is further disclosed in Note 5.

Trade payables to customers and brokers at December 31 and its security valuation are as follows:

	2024		2023	
	Book Value	Security Valuation	Book Value	Security Valuation
With money balances	P227,214,460	P10,252,295,693	P1,678,089	P24,764,035,367
Free balances	-	19,058,064,865	-	1,994,933,807
	P227,214,460	P29,310,360,558	P1,678,089	P26,758,969,174

The outstanding balances are collectible/payable two trading days from the date of trade transactions.

9. Trade Receivables from and Payables to Clearing House

This account represents the net receivable/payable from the Securities Clearing Corporation of the Philippines (SCCP), arising from buying and selling transactions during the last two trading days.

Prior to the amendment to the 2015 Implementing Rules and Regulations of the Securities Regulation Code (the "2015 SRC Rules") and SEC Memorandum Circular (MC) No. 16, Series of 2004 by the Philippine Securities and Exchange Commission (SEC), issued on August 11, 2023, the net receivable/payable from SCCP arose from the last three trading days.

The amendment aims to facilitate more efficient transactions and stimulate activity in the Philippine capital market. It also seeks to reduce credit and market risks from unsettled trades, as well as liquidity risks in the payment system thereby lowering overall systemic risk in the capital market.

As at December 31, 2024 and 2023, the Company's net receivable from (payable to) clearing house amounts to P67,353,689 and (P208,974,651), respectively.

The reconciliation of gross and net amounts of trade receivables from (payables to) clearing house as at December 31 is as follows:

	2024			2023		
	Gross	Offsetting	Net	Gross	Offsetting	Net
Brokerage receivables from clearing house subject to master netting agreements or similar agreements	P484,309,264	(P416,955,575)	P67,353,689	P173,148,770	(P382,123,421)	(P208,974,651)

The amount is collectible/ payable two trading days from the date of transaction.

10. Property and Equipment

The account as at December 31 consists of:

	Note	Computer Equipment	Furniture, Fixture, and Equipment	Leasehold Improvements	Right of Use Asset (Note 21)	Total
Cost						
Balance at January 1, 2023		P73,851,306	P9,313,700	P61,047,234	P120,165,333	P264,377,573
Additions		33,357,247	3,225,390	29,287,777	-	65,870,414
Retirement		(37,505,415)	(5,154,986)	(35,388,213)	(33,905,655)	(111,954,269)
Reclassification	10a	14,349,066	-	(14,349,066)	-	-
Adjustments	21	-	-	-	12,527,878	12,527,878
Modification	21	-	-	-	3,358,597	3,358,597
Balance at December 31, 2023		84,052,204	7,384,104	40,597,732	102,146,153	234,180,193
Additions		1,054,041	-	-	-	1,054,041
Retirement		(1,093,499)	-	-	-	(1,093,499)
Adjustment	21	-	-	-	(737,225)	(737,225)
December 31, 2024		84,012,746	7,384,104	40,597,732	101,408,928	233,403,510
Accumulated Depreciation						
Balance at January 1, 2023		60,839,910	5,415,820	34,898,783	37,499,808	138,654,321
Depreciation		11,676,055	1,032,481	10,384,922	10,966,832	34,060,290
Retirement		(37,268,541)	(5,154,985)	(34,972,891)	(33,905,655)	(111,302,072)
Adjustment	21	-	-	-	551,497	551,497
Balance at December 31, 2023		35,247,424	1,293,316	10,310,814	15,112,482	61,964,036
Depreciation		11,892,435	1,424,654	11,662,700	10,034,082	35,013,871
Retirement		(1,093,499)	-	-	-	(1,093,499)
Adjustment	21	-	-	-	(736,359)	(736,359)
December 31, 2024		46,046,360	2,717,970	21,973,514	24,410,205	95,148,049
Net Book Value						
December 31, 2023		P48,804,780	P6,090,788	P30,286,918	P87,033,671	P172,216,157
December 31, 2024		P37,966,386	P4,666,134	P18,624,218	P76,998,723	P138,255,461

10a Cost reclassification from leasehold improvement to computer equipment amounting to P14,349,066 pertains to data center rack and equipment that were initially booked in 2022 under leasehold improvement - asset under construction account (AUC) and transferred to computer equipment account upon completion of installation, commissioning and testing of the assets in 2023. The Company has a policy which states that tangible assets in implementation stage or intangible assets in development stage prior to their use will be recorded in the AUC accounts of respective asset categories. Upon completion of the asset or project, asset will be tested for recognition criteria and reclassified to respective ledger codes.

As at December 31, 2024 and 2023, fully depreciated equipment amounting to P14,056,601 and P15,410,934, respectively, are still in use by the Company.

Repairs and Maintenance

Repairs and maintenance for the years ended December 31, 2024 and 2023 amounting to P17,051,541 and P25,758,589, respectively, mainly composed of property and equipment classified as low value assets. Expenditure less than USD1,500 or (equivalent local currency) will be expensed as incurred. If multiple assets are purchased and settled in a single invoice, cost of individual asset is considered for capitalization threshold.

11. Trading Right

The Company assessed that the trading right is an intangible asset with an indefinite useful life since it allows the Company to operate as a broker/dealer in securities as long as it is owned by the Company.

The value of the trading right is pledged with the PSE to secure the payment of all debts to other members of the PSE arising out of or in connection with the present or future members' contracts. There are no other assets of the Company pledged as collateral for liabilities.

The account as at December 31 consists of:

	2024	2023
Cost	P32,059,524	P32,059,524
Allowance for impairment	(24,059,524)	(24,059,524)
	P8,000,000	P8,000,000

The carrying value of the trading right in 2024 and 2023 is based on its latest sale transacted in the PSE.

As at December 31, 2024 and 2023, there was no change in the market value of trading right as approved by the PSE's BOD on November 16, 2022. Therefore, no impairment nor recovery is needed to be recognized in the Company's trading right for the years ended December 31, 2024 and 2023.

12. Other Assets

Other Current Assets

The account as at December 31 consists of:

	2024	2023
Creditable withholding taxes	P8,978,423	P12,533,122
Prepaid expenses - current	3,269,746	4,928,841
Deposit with suppliers	842,366	842,366
Dividend receivable	21,157	1,180,095
Others	468,773	857,596
	P13,580,465	P20,342,020

Creditable withholding taxes pertain to the unutilized portion of the 15% expanded withholding tax on gross commission as stockbroker.

Deposits with suppliers mainly pertain to advances for fit-out works for the Company's leased office with Ayala Land Inc.

Others is composed of deposits for utilities and advances for travel and entertainment.

Other Non-current Asset

The account as at December 31 consists of:

	2024	2023
CTGF	P54,244,938	51,085,724
Prepaid expenses	1,116,554	2,391,210
	P55,361,492	53,476,934

Clearing and Trade Guaranty Fund (CTGF) is the accumulated contribution of the Company to the Securities Clearing Corporation of the Philippines (SCCP) designed to protect clearing members against the default of a clearing member to deliver its committed securities and/or cash for settlement.

In 2024 and 2023, the Company made refundable contributions amounting to P3.16 million and P2.75 million, respectively.

The above contributions are expected to be collected at the cessation of the Company's operations and/or upon termination of its membership with SCCP, provided that all liabilities owing to SCCP at the time of termination shall have been satisfied or paid in full.

13. Accrued Expenses and Other Liabilities

The account as at December 31 consists of:

	Note	2024	2023
Accrued expenses:			
Provision for bonuses		P27,203,158	P29,502,284
Other accrued expenses		11,718,933	11,333,418
Provision for tax audit settlement		-	18,806,308
Lease liability - current portion	21	8,156,416	7,289,121
Withholding tax payable		3,820,301	3,623,510
Sales tax payable		3,440,327	898,234
Fees payable		2,483,465	1,460,450
VAT payable		2,406,245	7,606,998
Other liabilities		319,774	180,543
		P59,548,619	P80,700,866

Provision for bonuses is composed of deferred bonus for key employees vesting for three years and staff compensation packages based on performance to be settled the following year.

Other accrued expenses mainly pertain to accrual of professional fees, occupancy and utility costs.

As of December 31, 2023, the Company has recognized a provision for tax audit settlement of P18,806,308 in relation to actual tax liabilities arising from completed Bureau of Internal Revenue (BIR) tax audit for the taxable year 2018. The actual tax liabilities include deficiency tax on income tax, value added tax, percentage tax, expanded withholding tax, fringe benefit tax and the related interest and penalties. The amount of the provision is based on the Company's settlement of the actual tax impact stated on Final Decision on Disputed Assessment (FDDA) received on February 21, 2024. The Company settled the liability in 2024, and no additional provision was recognized during the year.

14. Retirement Plan

Effective January 1, 2021, as a result of a plan amendment, the Company's employees participate in its regional head office defined contribution retirement plan (the Plan). The Plan is funded through payments from employees and by the Company. The Plan is maintained in Hong Kong.

Under the Plan, all employees having regular employment status shall become an eligible member. Under normal retirement, an employee upon reaching the age of sixty (60) years or more, but not beyond sixty-five (65) years and has served at least five (5) years may retire and shall be entitled to the retirement pay. An employee may also elect to retire with the consent of the Company prior to the normal retirement age provided that the employee is at least age fifty (50) and has completed at least ten (10) years of service. A member who is allowed by the Company to continue to work beyond his normal retirement age shall continue to be a member of the Plan up to his late retirement age after attaining normal retirement age but not beyond age sixty-five (65).

Under the Plan, the defined benefit minimum guarantee is equivalent to a certain percentage of the monthly salary and any corresponding investment earnings and losses payable to an employee at normal retirement age with the required credited years of service based on the provisions of R.A. No. 7641, *The Philippine Retirement Law*.

The valuation and corresponding disclosures were prepared considering the features of both the defined contribution and defined benefit types pursuant to the minimum regulatory benefit under The Retirement Pay Law (Republic Act No. 7641).

The net defined benefit cost and contributions to be paid by the Company are determined by an independent actuary on an annual basis.

The liability recognized in the statements of financial position at December 31 follows:

	2024	2023
Present value of defined benefit obligation	P80,462,975	P74,074,060
Fair value of plan assets	(53,059,531)	(46,774,411)
Retirement benefit obligation	P27,403,444	P27,299,649

The related movements of defined benefit obligation for the years ended December 31 are as follows:

	2024	2023
Beginning of the year:	P74,074,060	P64,256,769
Interest cost	4,525,925	4,536,528
Current service cost	4,275,960	3,826,846
Benefit payments	(626,776)	(79,814)
Remeasurements:		
Loss (gain) from changes in financial assumptions	97,086	3,133,129
Loss (gain) from changes in demographic assumptions	(1,938,631)	(205,903)
Actuarial loss (gain) from experience adjustments	55,351	(1,393,495)
End of the year	P80,462,975	P74,074,060

The movements in the fair value of plan assets for the years ended December 31 are as follows:

	2024	2023
Beginning of year	P46,774,411	P43,745,753
Contributions	3,397,925	3,347,704
Interest income	2,942,575	3,203,807
Remeasurement loss from experience adjustments	571,396	(3,443,039)
Benefits paid	(626,776)	(79,814)
End of year	P53,059,531	P46,774,411

The carrying value of plan assets is the same as their fair value as at December 31, 2024 and 2023.

The Company has no transactions with the plan other than the contributions made during 2024 and 2023 as presented above. Likewise, the plan has no investments in the Company or other related parties as at December 31, 2024 and 2023.

The composition of the plan assets as at December 31 follows:

	2024		2023	
	Amount	%	Amount	%
Cash and cash equivalents	P33,353,221	63%	P28,476,261	61%
Investment in bond funds	17,583,929	33%	16,179,269	35%
Unit investment trust funds	2,122,381	4%	2,118,881	5%
	P53,059,531	100%	P46,774,411	100%

Unit investment trust funds comprise of bond funds and equity securities.

The above assets are valued by the fund manager based in Hong Kong at fair value using the mark-to-market valuation.

The actual return on plan assets for the years ended December 31 follows:

	2024	2023
Interest income	P2,942,575	P3,203,807
Remeasurement gain (loss)	571,396	(3,443,039)
	P3,513,971	(P239,232)

The Company expects to contribute to the retirement benefit plan amounting to P3,363,012 in 2025.

The components of retirement expense recognized in profit or loss for the years ended December 31 are as follows:

	Note	2024	2023
Current service cost		P4,275,960	P3,826,846
Net interest cost		1,583,350	1,332,721
	17	P5,859,310	P5,159,567

Retirement expense is recognized under Compensation and fringe benefits as part of cost of services in the statements of comprehensive income.

The movements of remeasurement gain (loss) on retirement plan recognized in remeasurement loss on retirement liability for the years ended December 31 are as follows:

	Note	2024	2023
Beginning of year - net		(P11,216,628)	(P7,484,050)
Remeasurement (gain) loss of defined benefit plan - net of tax effect			
Remeasurement gain (loss) from defined benefit obligation		1,786,195	(1,533,732)
Plan asset remeasurement gain (loss)		571,396	(3,443,039)
Deferred tax effect	23	(589,398)	1,244,193
		1,768,193	(3,732,578)
End of year - net		(P9,448,435)	(P11,216,628)

The principal actuarial assumptions used for the years ended December 31 are as follows:

	2024	2023
Discount rate	6.11%	6.11%
Future salary increases	5.00%	5.00%

Discount Rate

The discount rate is determined by reference to market yields at the end of the reporting period based on high quality corporate bonds with currency and term similar to the estimated term of the benefit obligation. There is no deep market in high quality corporate bonds in the Philippines and therefore, the Company used as reference the yields on long-term Philippine Treasury Bonds and adjusted to reflect the term similar to the estimated term of the benefit obligation as determined by the actuary.

Future Salary Increases

This is the expected long-term average rate of salary increase taking into account inflation, seniority, promotion and other market factors. Salary increases comprise of the general inflationary increases plus a further increase for individual productivity, merit and promotion. The future salary increase rates are set by reference over the period over which benefits are expected to be paid.

Demographic Assumptions

Assumptions regarding mortality experience are set based on published statistics and experience in the Philippines. The sensitivities of the defined benefit obligation to changes in the weighted principal assumptions at December 31 is:

	Change in Assumption	Impact on Defined Benefit Obligation	
		Increase	Decrease
December 31, 2024			
Discount rate	1.00%	(P3,041,495)	P3,474,902
Salary increase rate	1.00%	3,472,098	(3,098,484)
December 31, 2023			
Discount rate	1.00%	(P3,287,622)	P3,763,486
Salary increase rate	1.00%	3,767,675	(3,350,036)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the retirement liability recognized within the statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to the previous period.

The weighted average duration of the defined benefit obligation as at December 31, 2024 and 2023 is 4.0 years and 4.8 years, respectively.

The projected maturity analysis of undiscounted retirement benefit payments as of December 31 are as follows:

	2024	2023
Less than a year	P40,203,301	P -
Between 1 to 5 years	36,656,065	73,432,545
Between 5 to 10 years	13,299,696	15,113,377

The defined benefit plan typically exposes the Company to a number of risks such as investment risk, interest rate risk and salary risk. The most significant of which relate to investment and interest rate risk. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have term to maturity approximating the terms of the related pension liability. A decrease in government bond yields will increase the defined benefit obligation although this will also be partially offset by an increase in the value of the plan's fixed income holdings. Hence, the present value of defined benefit obligation is directly affected by the discount rate to be applied by the Company.

15. Equity

Share Capital

Details of share capital as at December 31, 2024 and 2023 follow:

	Number of Shares	Amount
Authorized (At P100 Par Value Per Share)		
Redeemable preferred shares	1,197,000	P119,700,000
Common shares	53,000	5,300,000
	1,250,000	P125,000,000
Issued and Outstanding		
Redeemable preferred shares	950,000	P95,000,000
Common shares	52,694	5,269,400
Treasury shares	(1)	(666)
	1,002,963	P100,268,734

In 2013, the Company bought back one common share from an outgoing director giving rise to a treasury share amounting to P666.

The preferred shares are redeemable at the option of the Company. The primary features of the redeemable preferred shares are as follows:

- a. right to receive dividends, the rate of which should not be less than one-half of one percent (1/2%) but not more than ten percent (10%) of the par value of the redeemable preferred share. The distribution of dividends is at the discretion of the Company's Board of Directors;
- b. right to payment in full at par value, together with all accrued and unpaid dividends, upon the dissolution and liquidation of the Company prior to the payment of any amount to the common shareholders; and
- c. right to vote.

Retained Earnings

The risk-based capital adequacy (RBCA) framework also requires, among other things, that every broker/dealer with more than P50,000,000 unimpaired paid-up capital to appropriate, at a minimum, 10% of its audited net income to appropriated retained earnings in accordance with the Securities and Exchange Commission (SEC) Memorandum Circular No. 16, Series of 2004. In 2024 and 2023, the Company recognized net income accordingly, appropriation was made amounting to P2,992,129 and 4,344,040, respectively.

As at December 31, 2024 and 2023, the Company's unappropriated retained earnings amounting to P127.20 million and P229.30 million, respectively, exceeds its paid-up capital by P26,929,158 and P129,026,302, respectively.

The excess retained earnings in 2024 will be appropriated by Management in 2025 as a further safeguard for its capital build-up program against the volatility of the market in which the Company operates. The excess retained earnings in 2023 were appropriated for the same purpose on June 4, 2024, with BOD approval.

As at December 31, 2024 and 2023, the Company's retained earnings amounting to P324,043,473 and P192,025,042, respectively, has been retained as appropriated for the Company's capital build-up program to strengthen the Company's capital base taking into account the volatile nature of the market where the Company operates and to make provisions for funding gaps that could arise in cases of failed trades.

16. Commission Income

This account as at December 31 consists of:

	Note	2024	2023
Related parties	24	P252,043,756	P348,629,483
Third parties		70,262,702	67,524,252
		P322,306,458	P416,153,735

17. Compensation and Fringe Benefits*Compensation and Fringe Benefits*

Details of the account for the years ended December 31 are as follows:

	Note	2024	2023
Cost of Services			
Salaries and wages		P84,619,535	P84,588,254
Retirement expense	14	5,859,310	5,159,567
Medical insurance		1,967,932	1,988,873
Other benefits		1,891,748	1,476,811
		94,338,525	93,213,505
General and Operating Expenses			
Salaries and wages		13,826,136	14,099,606
Medical insurance		1,244,681	1,214,192
Other benefits		790,908	870,971
		15,861,725	16,184,769
		P110,200,250	P109,398,274

Salaries and wages pertain to expenses incurred by the Company as remuneration for its employees and additional benefits such as bonuses. Salaries and wages for employees designated in the front office are part of cost of services while for employees in the back office are part of general and operating expenses.

18. Exchange Fees

Exchange fees for the years ended December 31, 2024 and 2023 amounting to P31,760,281 and P25,139,603 respectively, mainly represent stock transaction costs, custodian fees, exchange subscriptions and other clearing and exchange fees.

19. Telephone and Postage

This account is consists of:

	2024	2023
Leased lines	P11,069,879	P13,678,625
General lines	3,819,419	2,943,685
Connectivity charges	-	1,582,005
	P14,889,298	P18,204,315

Leased lines pertain to expenses incurred by the Company for dedicated communication lines which include the Company's connection to Philippine Stock Exchange, Technistock Inc. which provides information services and technology for financial markets, and connection to foreign/international lines of related party offices through VPN.

General lines pertain to standard telephone lines commonly used for everyday communication purposes.

20. Others - General and Operating Expenses

This account as at December 31 consists of:

	Note	2024	2023
Interest expense on lease liability	21	P5,873,027	P6,153,005
Other staff costs		3,187,638	1,338,968
Insurance		1,851,411	1,793,433
Interest expense on tax deficiency		-	6,946,602
Write-off of fixed assets		-	652,195
Other admin expenses		2,737,523	1,514,576
		P13,649,599	P18,398,779

Other admin expenses mainly pertain to service desktop support, bank fees and other miscellaneous expenses.

Interest expense on tax deficiency pertains to interest from deficiency taxes incurred due to tax assessment on the Company's books for taxable years 2018 recorded in 2023.

21. Leases

On September 2, 2022, the Company entered into a new lease agreement for its office space and parking space with a lease term of 10 years from August 1, 2022 to July 31, 2032. From the commencement date of the new lease, the Company recognized a right-of-use asset and a lease liability in relation to such lease agreement.

On February 6, 2023 and June 27, 2023, the Company entered into a lease modification amending the scope of the contract for its leased office space and parking space. The lease modification increased the gross leasable area for the office space and decreased the number of leased parking space. All other terms and conditions remain unchanged following the lease modification.

The modification for the office space, which increased the scope of the lease, was accounted as a separate lease which resulted to the recognition of right-of-use assets and lease liabilities amounting to P4,352,013. Whereas, the modification of parking space, which decreased the scope of the lease, was not accounted as a separate lease but rather as a partial termination of the contract. This resulted in adjustments to right-of use-assets and lease liability amounting to a decrease of P993,416, and P994,285, respectively. Consequently, the total adjustments stemming from these modifications resulted to a net increase of P3,358,597 and P3,357,728 to right-of-use assets and lease liabilities, respectively. Difference in the adjustments pertains to the gain on modification amounting to P869.

In addition to the modifications above, the Company made adjustments during 2023 to right-of-use assets and lease liabilities, arising from the change in discount rate applied to leased agreements. This adjustment was made to approximate more accurately the Company's incremental borrowing rate on the date of initial application. Consequently, the total adjustments arising from the change in discount rate resulted to an increase in right-of-use asset and lease liability amounting to P11,976,381.

The associated right-of-use asset was adjusted by the amount of any prepaid or accrued lease payments at initial recognition and by the depreciation recognized during the year. As at December 31, 2024 and 2023, right-of-use asset amounted to P76,998,723 and P87,033,671 respectively.

The lease term is negotiated either on a collective or individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

I. Right-of-Use Assets

	2024	2023
Balance at January 1	P87,033,671	P82,665,525
Additions	-	-
Adjustment, net	(866)	11,976,381
Modification	-	3,358,597
Depreciation	(10,034,082)	(10,966,832)
Balance at December 31	P76,998,723	P87,033,671

II. Lease liabilities

	Note	2024	2023
Current	13	P8,156,416	P7,289,121
Non-current		82,443,393	90,427,170
		P90,599,809	P97,716,291

Movements in the lease liability for the years ended December 31 are as follows:

	Note	2024	2023
At January 1		P97,716,291	P85,868,326
Additions		-	-
Interest expense	20	5,873,027	6,153,005
Principal payments		(7,116,482)	(3,486,144)
Interest payments		(5,873,027)	(6,153,005)
Non-cash movements:			
Adjustments		-	11,976,381
Modification		-	3,357,728
At December 31		P90,599,809	P97,716,291

Maturity analysis of contractual undiscounted cash flows of lease liability at December 31 is as follows:

	2024	2023
Less than one year	P13,379,196	P12,989,509
More than one year	99,930,579	113,159,232
	113,309,775	126,148,741
Imputed interest discount on lease	(22,709,966)	(28,432,450)
	P90,599,809	P97,716,291

The statements of comprehensive income shows the following amounts relating to lease for the years ended December 31:

	Note	2024	2023
Depreciation expense on right-of-use asset	10	P10,034,082	P10,966,832
Interest expense	20	5,873,027	6,153,005
		P15,907,109	P17,119,837

The total cash outflow for leases for the years ended December 31, 2024 and 2023 amounted to P12,989,509 and P9,639,149, respectively, of which, P7,177,910 and P3,486,144, respectively pertain to principal payment of the lease liability.

As at December 31, 2024 and 2023, rental deposit from the lease contract amounts to P3,132,568.

Occupancy Costs

Occupancy costs for the year ended December 31, 2024 and 2023 amounting to P6,562,839 and P19,704,888, respectively, mainly composed of the expenses associated with occupying and maintaining the leased office space. This includes various costs related to the premises where the Company conducts its business such as common area charges and utility expenses for air-conditioning, electricity, office cleaning and water.

This account also consists of the office reinstatement for the cost incurred in 2023 to restore and return the Company's former office in the Enterprise Center Tower II into its initial condition and office relocation expenses brought by their office move during the year.

22. Interest and Other Income - net

The details of the account for the years ended December 31 are as follows:

	Note	2024	2023
Interest income on cash	6	P1,431,164	P1,016,902
Foreign exchange gain - net		332,638	2,444,069
Dividend income	7	317,751	315,390
Order gain(loss)		(34,208)	307,699
Other expenses (income) - net		532,083	(1,107,018)
		P2,579,428	P2,977,042

The breakdown of foreign exchange gain - net for the years ended December 31 is shown below:

	2024	2023
Unrealized foreign exchange gain (loss)	P696,030	(P857,080)
Realized gain(loss)	(363,392)	3,301,149
	P332,638	P2,444,069

Order gain (loss) pertains to price adjustments to executed transactions.

Other expense (income) - net mainly pertains to other miscellaneous income.

23. Income Taxes

Income tax expenses for the years ended December 31 consists of:

	2024	2023
Current	P11,378,961	P21,333,350
Deferred	(372,784)	3,073,406
Provision for basic income tax deficiency	-	11,498,687
	P11,006,177	P35,905,443

A reconciliation between income tax expenses at the statutory tax rate and the effective income tax for the years ended December 31 follows:

	2024		2023	
	Amount	%	Amount	%
Profit before income tax	P40,927,462		P79,345,840	
Statutory income tax	P10,231,866	92.96	P19,836,460	55.25
Effect of items not subject to statutory tax rate:				
Non-deductible expense	1,392,708	12.65	4,980,594	13.87
Income subject to lower tax rate	(357,791)	(3.25)	(254,226)	(0.71)
Non-taxable income	(260,606)	(2.36)	(156,073)	(0.43)
Deficiency income tax for taxable year 2018	-	-	11,498,688	32.02
Income tax (benefit) expense	P11,006,177	100.00	P35,905,443	100.00

On March 26, 2021, RA No. 11534, otherwise known as Corporate Recovery and Tax Incentives for Enterprises Act (CREATE), was signed into law. Under the CREATE law, effective July 1, 2020, the existing 30% corporate income tax rate (CIT) shall be amended as follows:

- reduction of MCIT rate to 25% shall be applicable to the Company;
- MCIT rate shall also be amended to 1%, instead of 2%, for the period beginning July 01, 2020 until June 30, 2023.

The deferred tax assets and liabilities presented as part of 'Deferred income tax assets - net' account in the statements of financial position as at December 31, 2024 and 2023 consists of the following:

	2024		2023	
	Tax Base	Deferred Tax	Tax Base	Deferred Tax
Deferred Income Tax Assets				
Lease liability	P90,599,809	P22,649,952	P97,716,291	P24,429,073
Accrual of employee compensation	27,203,160	6,800,790	29,452,884	7,363,221
Impairment loss on trading right	24,059,524	6,014,881	24,059,524	6,014,881
Remeasurement of retirement liability	12,597,912	3,149,478	14,955,504	3,738,876
Retirement liability	14,805,532	3,701,383	12,344,148	3,086,037
Unamortized past service cost	543,876	135,969	857,080	214,270
Unused annual leave	281,591	70,398	687,520	171,880
Unrealized foreign exchange loss	-	-	223,828	55,957
	170,091,404	42,522,851	180,296,779	45,074,195
Deferred Income Tax Liability				
Right of use-asset	76,998,723	19,249,681	87,033,671	21,758,418
Unrealized foreign exchange gain	696,030	174,007	-	-
	77,694,753	19,423,688	87,033,671	21,758,418
Net Deferred Tax Assets	P92,396,651	P23,099,163	P93,263,108	P23,315,777

The roll forward analysis of the Company's net deferred tax assets follows:

	2024	2023
Balance at January 1	P23,315,777	P28,319,155
Deferred income tax recognized in profit loss	372,784	(3,073,406)
Deferred income tax recognized in other comprehensive income	(589,398)	1,244,193
Utilization of MCIT	-	(3,174,165)
Balance at December 31	P23,099,163	P23,315,777

The amount of deferred tax expense relates to the origination and reversal of temporary differences. The movement in the account also includes the application of excess MCIT to the current taxable year.

Management reviews at each reporting date the carrying amount of its deferred income tax assets. The carrying amount of deferred income tax assets is reduced to the extent that it cannot be utilized due to insufficient taxable profit against which the deferred income tax assets will be applied.

Management believes that sufficient taxable profit will be generated to allow all or part of the deferred income tax assets to be utilized.

As at December 31, 2024 and 2023, there are no unrecognized deferred tax assets on NOLCO and MCIT.

24. Related Party Transactions

Related party balances and transactions as at and for the years ended December 31 are summarized as follows:

2024	Transactions	Outstanding Balances [Due from (Due to)]	Terms and Conditions
Receivable and Commission			
Entities under common control: Due from customers	(P252,043,756)	P61,292,077	Contracted trades to be settled on T+2. The outstanding balance pertains to amount receivable from related parties, which includes a portion for commission. Outstanding balances are unsecured, unguaranteed, and non-interest bearing, settled in cash at net amount and included as part of Trade receivable to customers.
Allocated Regional Expenses – net			
Allocated Regional Cost (Income)			
Entities under common control			Covered by the terms of Service Level Agreement.
CLSA Ltd.	P113,401,399	P2,588,789	Allocated regional expenses are shared costs charged by CLSA Ltd. and CLSA Singapore Pte Ltd. to the Company which represent front office brokerage, marketing sales and research expenses. Outstanding balances are unsecured, unguaranteed, and non-interest bearing, settled in cash at net amount on a quarterly basis.
CLSA Singapore Pte. Ltd.	7,177,176	(556,076)	
Residual Profit Split			
Entity under common control CLSA Ltd.	(94,578,479)	7,700,261	Covered by the terms of Transfer Pricing Policy for Institutional Equities.
			Residual profit split is a transfer pricing method where the profit of the Institutional Equities (IE) business is allocated amongst CLSA affiliates in order for each CLSA entity involved to receive a return commensurate with the functions it performs, assets it owns and risks it assumes. Outstanding balances are unsecured, unguaranteed, and non-interest bearing, settled in cash at net amount on a quarterly basis.
Direct Expense Reimbursement			
Entities Under Common Control			Covered by the Direct Expense Agreement.
CLSA Ltd.	P10,839,789	(P1,643,791)	The outstanding balance is settled (reimbursed to the Company) within 30 days from the receipt of proof of payment made by related parties. Outstanding balances are unsecured, unguaranteed, and non-interest bearing, settled in cash at net amount.
CLSA Singapore Pte. Ltd,	6,845,605	(1,620,295)	
CLSA Exchange Capital, Inc.	13,964,338	939,831	
Salaries and Employee Benefits			
Key management personnel	P44,855,190	P -	Salaries and benefit are covered by employment agreement and paid based on payroll period. Bonuses are paid annually.
Contribution to Group Plan			
Entity under common control			
CLSA Ltd.	P3,397,925	P -	Contributions to plan assets paid to regional head office

2023	Transactions	Outstanding Balances [Due from (Due to)]	Terms and Conditions
Receivable and Commission Entities under common control: Due from customers	(P348,629,483)	P170,297,284	Contracted trades to be settled on T+2. The outstanding balance pertains to amount receivable from related parties, which includes a portion for commission. Outstanding balances are unsecured, unguaranteed, and non-interest bearing, settled in cash at net amount and included as part of Trade receivable to customers.
Allocated Regional Expenses – net			
<i>Allocated Regional Cost (Income)</i> Entities under common control			Covered by the terms of Service Level Agreement.
CLSA Ltd.	P164,613,093	P4,633,545	Allocated regional expenses are shared costs charged by CLSA Ltd. and CLSA Singapore Pte Ltd. to the Company which represent front office brokerage, marketing sales and research expenses. Outstanding balances are unsecured, unguaranteed, and non-interest bearing, settled in cash at net amount on a quarterly basis.
CLSA Singapore Pte. Ltd.	8,866,162	(242,900)	
CLSA UK	(184,026)	-	
<i>Residual Profit Split</i> Entity under common control CLSA Ltd.	(P112,101,571)	P21,246,824	Covered by the terms of Transfer Pricing Policy for Institutional Equities. Residual profit split is a transfer pricing method where the profit of the Institutional Equities (IE) business is allocated amongst CLSA affiliates in order for each CLSA entity involved to receive a return commensurate with the functions it performs, assets it owns and risks it assumes. Outstanding balances are unsecured, unguaranteed, and non-interest bearing, settled in cash at net amount on a quarterly basis.
Direct Expense Reimbursement Entities Under Common Control			Covered by the Direct Expense Agreement.
CLSA Ltd.	P13,520,774	(P3,581,234)	The outstanding balance is settled (reimbursed to the Company) within 30 days from the receipt of proof of payment made by related parties. Outstanding balances are unsecured, unguaranteed, and non-interest bearing, settled in cash at net amount.
CLSA Singapore Pte. Ltd.	8,748,248	(793,990)	
CLSA Exchange Capital, Inc.	12,655,418	2,543,477	
CLSA Securities Japan Co., Ltd.	61,187	-	
CLSA Securities Korea Ltd	14,755	-	
Salaries and Employee Benefits Key management personnel	P46,615,318	P -	Salaries and benefit are covered by employment agreement and paid based on payroll period. Bonuses are paid annually.
Contribution to Group Plan Entity under common control CLSA Ltd.	P3,347,704	P -	Contributions to plan assets paid to regional head office

The Company provides brokerage services to other CLSA entities. The outstanding balance of the entities' selling and buying transactions recorded under 'Due from customers' account amounted to P61.29 million and P170.30 million as at December 31, 2024 and 2023, respectively.

Offsetting Due Financial Assets and Financial Liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position where the Company currently has a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

The following table presents the recognized financial instruments that are offset as at December 31:

2024	Net Due from (to) Related Parties	Due from Related Parties	Due to Related Parties
CLSA Ltd.	P8,645,259	P8,645,259	P -
CLSA Singapore Pte. Ltd.	(2,176,371)	-	(2,176,371)
CLSA Exchange Capital, Inc.	939,831	939,831	-
	P -	P9,585,090	(P2,176,371)

2023	Net Due from (to) Related Parties	Due from Related Parties	Due to Related Parties
CLSA Ltd.	P22,299,135	P22,299,135	P -
CLSA Singapore Pte. Ltd.	(1,036,890)	-	(1,036,890)
CLSA Exchange Capital, Inc.	2,543,477	2,543,477	-
	P -	P24,842,612	(P1,036,890)

Salaries and employee benefits for key management personnel is included as part of compensation and fringe benefits in profit or loss. This consists of short-term employee benefits and other long-term benefits. Short-term employee benefits relate to salaries and bonuses while other long-term benefits pertain to deferred bonus vesting for three years. There were no post-employment benefits, termination benefits and share-based payment for the years ended. Salaries and employee benefits for key management personnel are as follows:

	2024	2023
Short-term employee benefits	P40,529,605	P42,072,274
Other long-term benefits	4,325,585	4,543,044
	P44,855,190	P46,615,318

Retirement benefit expense included as part of "Salaries and employee benefits" account in profit or loss amounted to P5.86 million and P5.16 million respectively (Notes 14 and 17).

Other than the aforementioned transactions, there were no share-based payments, post-employment, termination and other long-term benefits recognized for the years ended December 31, 2024 and 2023.

25. Supplementary Information Required by the Bureau of Internal Revenue (BIR)

In addition to the disclosures mandated under PFRS Accounting Standards, and such other standards and/or conventions as may be adopted, companies are required by the BIR to provide in the notes to the financial statements, certain supplementary information for the taxable year. The amounts relating to such supplementary information may not necessarily be the same with those amounts disclosed in the basic financial statements which were prepared in accordance with PFRS Accounting Standard. Following are the tax information required for the taxable year ended December 31, 2024:

Based on RR No. 15-2010

A. Value Added Tax (VAT)

	Amount
1. Output VAT	P38,687,463
Basis of the Output VAT:	
Vatable Sales	P319,775,584
Sale to Government	2,619,941
Zero-rated Sales	7,610,086
2. Input VAT	
Beginning balance	P -
Current year's domestic purchases/payments for:	
Services	8,319,354
Goods other than Capital Goods	684,001
Others	396,187
Applied against output VAT	(9,399,542)
Ending balance	P -
	Amount
3. Tax Credits/Payments	
Monthly VAT Payments	P -
VAT Withheld on sales to Government	130,997
Total Tax Credits applied against output VAT	P130,997
4. Quarterly VAT Payments	
First Quarter	P14,148,960
Second Quarter	9,458,466
Third Quarter	3,143,253
Total quarterly VAT payments	P26,750,679

As at December 31, 2024, VAT payable amounting to P2,406,245 is presented under accrued expenses and other liabilities in the statements of financial position.

B. Withholding Taxes

Withholding taxes paid and accrued for the year ended December 31, 2024 consist of:

	Paid	Accrued
Withholding tax on compensation	P22,280,790	P3,146,937
Final withholding tax	3,525,612	-
Expanded withholding tax	2,164,831	123,308
Fringe benefit tax	-	550,056
Withholding VAT	1,807,471	-
	P29,778,704	P3,820,301

Accrued withholding taxes are presented under accrued expenses and other liabilities in the statements of financial position.

As at December 31, 2024, creditable withholding taxes amounts to P8,978,423 and are included in Other current assets in the statements of financial position.

C. Stock Transaction Taxes

Stock transaction taxes paid and accrued in 2024 amount to P709,503,511 and P3,440,327, respectively. These stock transaction taxes were for the account of counterparties. Stock transaction taxes are presented as sales taxes payable under accrued expenses and other liabilities in the statements of financial position.

D. All Other Taxes (Local And National)

All other local and national taxes paid and accrued for the year ended December 31, 2024 consist of:

	Paid	Accrued	Total
Mayor's permit	P858,788	P -	P858,788
Fringe benefit tax	-	550,056	550,056
Penalty charges	114,177	-	114,177
Community tax	10,500	-	10,500
Others	2,100	-	2,100
	P985,565	P550,056	P1,535,621

As of December 31, 2024, accrued other local and national taxes pertain to fringe benefit tax and penalty charges. Fringe benefit tax amounting to P550,056 pertains to fringe benefits for employees other than rank and file included in withholding tax payable under accrued and other liabilities. The penalty charges amounting to P114,177 refer to the surcharges, interest and compromise penalty due to the late file of the 1600 January return. All other local and national taxes are presented as taxes in licenses under general and administrative expenses in the statements of comprehensive income.

E. Deficiency Tax Assessments and Cases

On March 14, 2023, the Company received a final assessment notice from the BIR for the investigation of all its internal revenue tax liabilities for the taxable year 2018. On April 13, 2023, the Company filed a protest letter to contest the assessment.

On October 17, 2023, the Company received a final assessment notice from the BIR for the investigation of all its internal revenue tax liabilities for the taxable year 2019. On November 20, 2023, the Company filed a protest letter to contest the assessment.

On February 21, 2024, the Company received the final decision from the BIR for the investigation of all its internal revenue tax liabilities for the taxable year 2018 which include deficiency income tax, value added tax, percentage tax, expanded withholding tax, fringe benefit tax and miscellaneous tax amounting to P18.81 million, including interest and compromise of P6.95 million and P0.08 million, respectively, which were settled on February 28, 2024. For the year ended December 31, 2023, the Company recognized the basic income tax deficiency under 'Income taxes' account (Note 23) and the related interest and compromise penalty under 'Others – General and operating expenses' account (Note 20) in the statements of comprehensive income.

As at December 31, 2024, the remaining open taxable years of the Company are 2022, 2021 and 2020. The Company has not received any final assessment notice for such years. Management believes that the final settlement, if any, would not adversely affect the Company's financial position or results of operations.

**RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
AS AT DECEMBER 31, 2024**

CLSA PHILIPPINES, INC.

Ayala Triangle Gardens Tower 2 Paseo de Roxas, corner
Makati Ave Makati, 1226 Metro Manila
(All amounts in the Philippine Peso)

Unappropriated Retained Earnings, beginning of the reporting period		P225,804,214
Add: <u>Category A:</u> Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	P -	
Effect of restatements or prior-period adjustments	-	
Others (describe nature)	-	P -
Less: <u>Category B:</u> Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	-	
Retained Earnings appropriated during the reporting period	(132,018,429)	
Effects of restatements or prior-period adjustments	-	
Others (describe nature)	-	-
Unappropriated Retained Earnings, as adjusted		93,785,785
Add/Less: Net Income (loss) for the current year		29,921,285
Less: <u>Category C.1:</u> Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	(55,718)	
Unrealized fair value adjustments (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	(21,482)	
Unrealized foreign exchange gain of Investment Property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	
Sub-total		(77,200)

Forward

Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)

Realized foreign exchange gain, except those attributable to cash and cash equivalents	P	-
Realized fair value adjustments (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)		-
Realized foreign exchange gain of Investment Property		-
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)		-
Sub-total	P	-

Add: Category C.3: Unrealized income recognized in profit or loss in prior reporting periods but reversed in the current reporting period (net of tax)

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents		-
Reversal of previously recorded fair value adjustments (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)		-
Reversal of previously recorded fair value gain of Investment Property		-
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)		-
Sub-total		-

Adjusted Net Income/Loss	29,844,085
---------------------------------	-------------------

Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

Depreciation on revaluation increment (after tax)		-
Sub-total		-

Forward

Add/Less: <u>Category E</u>: Adjustment related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	P	-
Total amount of reporting relief granted during the year		-
Others (describe nature)		-
Sub-total		P -
Add/Less: <u>Category F</u>: Other items that should be excluded from the determination of the amount of available for dividend distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)		-
Net movement of deferred tax asset not considered in the reconciling items under the previous categories		(182,825)
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set-up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable		729,616
Adjustment due to deviation from PFRS/GAAP		
- gain (loss)		-
BASEL III requirements and ICAAP1		-
Sub-total		546,791
Total Retained Earnings, end of the reporting period available for dividend		P124,176,661

SEC Form 52-AR

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

ANNUAL AUDITED FINANCIAL REPORT

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

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

IDENTIFICATION OF BROKER OR DEALER	
Name of Broker/Dealer:	<u>CLSA Philippines, Inc.</u>
Address of Principal Place of Business	<u>Ayala Triangle Gardens Tower 2</u> <u>Paseo de Roxas, corner Makati Ave</u> <u>Makati, 1226 Metro Manila</u>
Name and Phone Number of Person to Contact in Regard to this Report	
Name: <u>Raymond M. Tempongko</u>	Tel. No. <u>8860-4031</u>
IDENTIFICATION OF ACCOUNTANT	
Name of Independent Certified Public Accountant whose opinion is contained in this report:	
Name: <u>Vanessa P. Macamos</u>	Tel. No. <u>8885-7000 ext. 8328</u>
	Fax No. <u>8894-1985</u>
Address: <u>The KPMG Center, 6/F, 6787 Ayala Avenue, Makati City</u>	
CPA Cert. No. <u>0102309</u>	
P.T.R. Number <u>MKT 10467183</u>	Date Issued <u>January 2, 2025</u>

CLSA Philippines, 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 as at December 31, 2024.

CLSA PHILIPPINES INC.
Computation of Risk-Based Capital Adequacy (RBCA) Ratio under SRC
Rule 49.1
December 31, 2024
(All amounts in Philippine Peso)

Total Assets	941,209,959
Less: Total Liabilities	399,148,297
Equity as per books	542,061,663
Adjustments to Equity per books	
Add (Deduct):	
Deferred Income Tax	(23,099,164)
Total Adjustments to Equity per books	(23,099,164)
Equity Eligible For Net Liquid Capital	518,962,499
Contingencies and Guarantees	
Deduct: Contingent Liability	-
Guarantees or indemnities	-
Ineligible Assets	
a. Trading right and all other intangible asset (net)	8,000,000
b. Intercompany receivables	-
c. Fixed assets, net of accumulated and excluding those used as collateral	138,255,459
d. Prepayment from client for early settlement of Amount	-
e. All Other Current Assets	4,483,575
f. Securities Not Readily Marketable	-
g. Negative Exposure (SCCP)	711,991
h. Notes Receivable (non-trade related)	-
i. Interest and Dividends Receivables outstanding for more than 30 days	-
j. Ineligible Insurance claims	-
k. Ineligible Deposits	-
l. Short Security Differences	-
m. Long Security Differences not resolved prior to sale	-
n. Other Assets including Equity Investment in PSE	77,516,894
Total ineligible assets	228,967,918
Net Liquid Capital (NLC)	289,994,581
Less:	
Operational Risk Reqt (Schedule ORR-1)	103,561,874
Position Risk Reqt (Schedule PRR-1)	7,624,737
Counterparty Risk (Schedule CRR-1 and detailed schedules)	-
Total Risk Capital Requirement (TRCR)	111,186,611
Net RBCA Margin (NLC-TRCR)	178,807,970
Liabilities	399,148,297
Add: Deposit for Future Stock Subscription	-
Less: Exclusions from Aggregate Indebtedness	-
Subordinated Liabilities	-
Loans secured by securities	-
Loans secured by fixed assets	-
Others	-
Total adjustments to AI	
Aggregate Indebtedness	399,148,297
5% of Aggregate Indebtedness	19,957,415
Required Net Liquid Capital (> of 5% of AI or P5M)	19,957,415
Net Risk-based Capital Excess / (Deficiency)	270,037,166
Ratio of AI to Net Liquid Capital	138%
RBCA Ratio (NLC / TRCR)	261%

CLSA Philippines, Inc.
Information Relating to Possession or Control Requirements
Pursuant to SRC Rule 49.2 (Under Annex 49.2 - A)
DECEMBER 31, 2024

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

Market valuation	Nil
Number of items	Nil

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

Market valuation	Nil
Number of items	Nil

CLSA PHILIPPINES INC.
Computation for Determination of Reserve Requirements Pursuant to SRC
Rule 49.2 (Under Annex 49.2-B)
December 31, 2024
(All amounts in Philippine Peso)

	Credits	Debits
Free credit balances and other balances in customer securities accounts		
Due to customers	227,214,459	
Due to clearing house	-	
Debit balances in customers cash accounts		
Due from customer		163,484,809
Due from clearing house		67,353,689
Customer omnibus accounts		21,157
Unsecured balances and accounts doubtful of collection		(2,589,784)
Reduction by 1%		(2,282,698)
Total	<u>227,214,459</u>	<u>225,987,173</u>
Net Credit (Debit)		<u>1,227,286</u>

SCHEDULE V

CLSA Philippines, Inc.
Collateral Valuation Summary
DECEMBER 31, 2024 and 2023
(All amounts in Philippine Peso)

	2024			2023		
	Book Value	Security Valuation		Book Value	Security Valuation	
		Long	Short		Long	Short
Security value of debit balances						
More than 250%	-	-	-	-	-	-
Between 200% to 250%	-	-	-	-	-	-
At least 100% but not more than 150%	163,484,809	297,031,435	136,136,410	40,461,311	40,585,939	-
Less than 100%	-	-	-	171,304,307	242,591,043	73,499,901
Due from customers	163,484,809	297,031,435	136,136,410	211,765,618	283,176,982	73,499,901
Security value of credit balances						
With money balances	227,214,459	10,012,935,158	239,360,535	1,678,089	24,750,455,144	13,580,223
No money balances	-	19,058,064,865	-	-	1,994,933,807	-
Due to customers	227,214,459	29,071,000,023	239,360,535	1,678,089	26,745,388,951	13,580,223

CLSA Philippines, Inc.
Results of Monthly Securities Count Conducted
Pursuant to SRC Rule 52.1, as amended
DECEMBER 31, 2024
(All amounts in Philippine Peso, except number of shares)

SECURITY NAME	Number of Shares			TOTAL MARKET VALUE
	PCD	IN TRANSIT	OTHERS	
ABS-CBN HOLDINGS CORP. (PDR)	3,505,990	-	-	13,322,762
AYALA CORPORATION	95,390	(690)	690	57,138,610
ACEN CORPORATION	466,258	(6,454,000)	6,454,000	1,865,032
ACEN CORPORATION PERPETUAL SERIES A PREFERRED SHAR	-	530	-	556,500
ABOITIZ EQUITY VENTURES, INC.	50	(700)	700	1,718
ALLIANCE GLOBAL GROUP, INC.	6,585,000	(286,200)	286,200	59,265,000
AYALA LAND INC.	52,162	(849,300)	3,549,400	72,109,264
ABOITIZ POWER CORP.	196,000	156,600	-	13,293,020
ALTUS PROPERTY VENTURES, INC	385	-	-	3,203
APEX MINING CO., INC.	-	20,000	-	69,000
AREIT, INC.	893,512	134,200	-	39,001,670
ATLAS CONS, MNG & DEV CORP	40,000	-	-	175,200
BENGUET CORPORATION "A"	54,000	-	-	214,380
BDO UNIBANK, INC	36,699	(40,400)	40,400	5,284,656
BELLE CORPORATION	100,000	-	-	166,000
BLOOMBERRY RESORTS CORPORATION	10,100	(3,528,000)	3,528,000	46,258
BANK OF PHIL. ISLANDS	62,502	(59,560)	295,580	36,419,684
CHINA BANKING CORPORATION	-	136,040	90,920	14,411,960
CEBU AIR INC.	40,000	(3,500)	3,500	1,130,000
CEBU AIR, INC. CONVERTIBLE PREFERRED SHARES	182,608	-	-	6,299,976
CEBU LANDMASTERS, INC.	1,800,000	-	-	4,770,000
CENTURY PACIFIC FOOD, INC.	122	(750,900)	825,300	3,126,198
CONVERGE INFO & COMMS TECH SOLUTIONS, INC.	-	104,400	-	1,685,016
COAL ASIA HOLDINGS INCORPORATED	500,000	-	-	77,000
CITICORE ENERGY REIT CORP.	250,400	(4,000)	4,000	763,720
DDMP REIT, INC.	10,000	-	-	10,300
DITO CME HOLDINGS CORP.	-	(410,000)	410,000	-
DMCI HOLDINGS, INC.	-	200	-	2,164
EXPORT AND INDUSTRY BANK, INC.	200,000	-	-	-
EMPIRE EAST LAND HOLDINGS, INC	318,240	-	-	38,189
EMPERADOR, INC.	-	(44,200)	44,200	-
EAST WEST BANKING CORPORATION	11,800	-	-	116,230
SAN MIGUEL FOOD AND BEVERAGE, INC.	-	(6,730)	6,730	-
FIGARO CULINARY GOUPE, INC.	-	(94,000)	94,000	-
FILINVEST DEVELOPMENT CORP.	131,952	-	-	651,843
FIRST GEN CORPORATION	-	(2,800)	2,800	-
FILINVEST LAND, INC.	550,000	(87,000)	87,000	401,500
FIRST PHIL. HOLDINGS CORP.	270,000	-	-	15,930,000
GLOBE TELECOMMUNICATIONS, INC.	-	1,485	1,215	5,896,800
GT CAPITAL HOLDINGS, INC.	-	(300)	8,350	5,296,900
GT CAPITAL HLDGS PERPETUAL PREFERRED SERIES B	3,100	-	-	3,069,000
HOUSE OF INVESTMENT INC.	278,900	-	-	942,682
ALLHOME CORPORATION	600	-	-	384
INT'L CONTAINER SERVICES, INC	9	78,040	25,240	39,869,554
INTEGRATED MICRO-ELECTRONICS, INC.	54,622	0	-	81,387
JOLLIBEE FOODS CORPORATION	2,003	55,580	-	15,489,827
JG SUMMIT HOLDINGS, INC.	20,247	210,600	126,200	7,337,316
THE KEEPERS HOLDINGS, INC.	-	135,000	-	301,050
LOPEZ HOLDINGS CORPORATION	682,000	-	-	1,841,400
LORENZO SHIPPING CORPORATION	50,000	-	-	43,000
LT GROUP, INC.	-	37,500	201,600	2,510,550

SECURITY NAME	Number of Shares			TOTAL MARKET VALUE
	PCD	IN TRANSIT	OTHERS	
MANILA MINING CORPORATION "B"	9,337,752	-	-	28,013
MACROASIA CORP.	-	(40,000)	40,000	-
METRO ALLIANCE HLDGS.&EQUITIES	50,000	-	-	41,500
METRO ALLIANCE HLDGS. EQUITIES	100,000	-	-	68,000
METRO BANK & TRUST CO.	168,503	(356,740)	526,390	24,347,016
MEGAWORLD CORPORATION	200,652	(1,436,000)	1,436,000	411,337
MANILA ELECTRIC COMPANY	21,600	23,310	1,600	22,696,880
METRO GLOBAL HOLDINGS CORP.	2,000	-	-	-
MONDRAGON INT'L. PHILS., INC.	7,700	-	-	-
MONDE NISSIN CORPORATION	-	286,400	-	2,463,040
MREIT, INC.	11,063	(100)	100	147,580
METRO RETAIL STORES GROUP, INC.	100,000	-	-	120,000
MANILA WATER COMPANY INC.	20,000	138,600	74,400	6,291,000
MEGAWIDE CONSTRUCTION CORPORATION	382,920,604	-	-	930,497,068
NICKEL ASIA CORPORATION	512	287,000	-	1,003,417
NAT'L REINSURANCE CORP. PHILS.	4,413,400	-	-	3,045,246
OCEANAGOLD (PHILIPPINES), INC.	160,004	(347,400)	347,400	2,243,256
THE PHILODRILL CORPORATION	20,020,908	-	-	150,157
PETRON CORPORATION	210,000	-	-	510,300
PICOP RESOURCES, INC.	112,630	-	-	-
PUREGOLD PRICE CLUB, INC.	70,050	28,500	57,100	4,801,803
DIGIPLUS INTERACTIVE CORP.	164,172,555	114,500	-	4,460,393,543
PRIMETOWN PROPERTY GROUP INC.	5,900	-	-	-
PHIL. NATIONAL BANK	81,379	13,700	-	2,633,688
PHOENIX PETROLEUM PHILS.,INC.	266,044,775	-	-	1,109,406,712
PHILTOWN PROPERTIES INC,	21,482	-	-	-
PETRON CORP PERPETUAL PREFERRED SUBSERIES 3B	5,000	-	-	5,150,000
PETRON CORPORATION NON-VOTING PERPETUAL SERIES 4E	-	925	-	971,250
PRIME MEDIA HOLDINGS INC.	2,000	-	-	4,260
PHIL STOCK EXCHANGE	37,200	-	-	6,100,800
PHILEX MINING CORPORATION	314,781,751	-	-	878,241,085
PHILEX ENERGY CORP	337	-	-	967
ROXAS AND COMPANY, INC.	-	(13,000)	13,000	-
RL COMMERCIAL REIT, INC.	-	(181,900)	181,900	-
ROBINSONS LAND CORP.	7,929,605	(1,078,100)	1,078,100	105,463,747
ROCKWELL LAND CORPORATION	26,629,000	-	-	40,209,790
ROBINSONS RETAIL HOLDINGS, INC.	315,309,308	(17,500)	17,500	11,351,135,088
SEMIARA MINING AND POWER CORPORATION	12,000	(108,300)	195,000	3,444,630
SECURITY BANK CORPORATION	2,014	(11,780)	11,780	175,218
PHILIPPINE SEVEN CORP.	14	(1,140)	1,140	949
SYNERGY GRID AND DEVELOPMENT PHIL., INC.	-	50,700	-	496,860
SHELL PILIPINAS CORPORATION	44,920	-	-	336,900
SM INVESTMENTS CORP.	2,150	(16,480)	19,070	4,261,260
SAN MIGUEL CORPORATION	-	(13,790)	13,790	-
SAN MIGUEL CORPORATION SERIES 2-I PREFERRED	6,000	-	-	433,500
SAN MIGUEL CORPORATION SERIES 2-N PREFERRED SHARES	1,000	-	-	79,700
SM PRIME HOLDINGS, INC.	7,005	(421,700)	1,500,000	27,295,421
SSI GROUP, INC.	400,000	-	-	1,272,000
PLDT, INC.	7,654,330	10,135	-	9,925,482,175
UNION BANK OF THE PHILIPPINES	2	-	-	72
UNIVERSAL ROBINA CORPORATION	11	160,200	-	12,656,669
VISTA LAND & LIFESCAPES,INC.	150,000	-	-	222,000
VICTORIAS MILLING CORP.	209,520	-	-	419,040
WILCON DEPOT, INC.	40	130,800	-	1,871,012
TOTAL	1,538,891,327	(14,351,265)	21,600,295	29,368,049,851

CLSA Philippines, Inc.
Schedule of Financial Soundness Indicators in Two
Comparative Periods Under SRC Rule 68, As Amended
As of December 31, 2024 and 2023

Ratio	Formula	2024	2023
Current ratio	Current Assets ÷ Current Liabilities	246.75%	225.84%
Acid test ratio	(Current Assets - Prepayments) ÷ Current Liabilities	245.23%	224.16%
Solvency ratio	(Net income for the year + Non-cash expenses) ÷ Total liabilities	22.08%	21.49%
Debt-to-equity ratio	Total Liabilities ÷ Total Equity	73.57%	80.36%
Asset-to-equity ratio	Total Assets ÷ Total Equity	173.57%	180.36%
Interest rate coverage ratio	Income from operations ÷ Finance cost	N/A	N/A
Return on equity	Net income for the year ÷ Total Equity	5.52%	8.51%
Return on assets	Net income for the year ÷ Total Assets	3.18%	4.72%
Net profit margin	Net income for the year ÷ Total Income	9.21%	10.44%

CLSA PHILIPPINES INC.
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION
December 31, 2024 and 2023

	2024	2023
Total Audit Fees	P780,000	P676,000
Non-audit service fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit Fees	-	-
Total Audit and Non-audit Fees	P780,000	P676,000

Audit and Non-audit fees of other related entities

	2024	2023
Total Audit Fees	P -	P -
Non-audit service fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit Fees	-	-
Total Audit and Non-audit Fees of other related entities	P -	P -



Checklist for Components of Financial Statements

For STOCK Corporations

For NON-STOCK corporations, BRANCH and REGIONAL offices

Checklist for Components of General Information Sheet

- ☐ Four (4) copies including Original set
- ☒ Cover Sheet
- ☒ **Original** BIR / bank stamp "RECEIVED" on:
 - Auditor's Report
 - Balance Sheet / Statement of Financial Position
 - Income Statement
- ☒ BDA registration number of external auditor with **expiration date**
- ☒ Statement of Management's Responsibility over the Financial Statements signed by **ALL** of the ff:
 - ☐ President / Chief Executive Officer
 - ☐ Chairman of the Board
 - ☐ Treasurer / Chief Finance Officer
 - ☐ Officer/s holding positions equivalent to the aforementioned as may be authorized in the By-Laws
- ☒ Auditor's Report¹ originally signed
- ☒ Balance Sheet / Statement of Financial Position
- ☒ Income Statement²
- ☒ Cash Flow Statement
- ☒ Statement of Changes in Equity³
- ☒ Notes to Financial Statements
- ☒ Supplemental written statement of External Auditor on the number of stockholders
- ☐ Soft copy of General Form for Financial Statements (GFFS) or Special Form for Financial Statements (SFFS)⁴

- ☐ Four (4) copies including Original set
- ☐ Cover Sheet
- ☐ **Original** BIR / bank stamp "RECEIVED" on:
 - ☐ Auditor's Report
 - ☐ Balance Sheet / Statement of Financial Position
 - ☐ Income Statement
- ☐ BDA registration number of external auditor with **expiration date**
- ☐ Statement of Management's Responsibility over the Financial Statements signed by **ALL** of the ff:
 - ☐ President / Chief Executive Officer
 - ☐ Chairman of the Board
 - ☐ Treasurer / Chief Finance Officer
 - ☐ Officer/s holding positions equivalent to the aforementioned as may be authorized in the By-Laws
- ☐ Auditor's Report originally signed
 - If not required, notarized Treasurer's Certification¹
- ☐ Balance Sheet / Statement of Financial Position
- ☐ Statement of Receipts and Disbursements²
- ☐ Cash Flow Statement
- ☐ Statement of Fund Balance³
- ☐ Notes to Financial Statements

¹ Treasurer's Certification for: (see **below)

Corporations with less than P600,000.00 total assets or total liabilities

Branch Office/Representative Office with assigned capital in the equivalent amount of less than P1 Million

Regional Operating Headquarters with total revenue in the equivalent amount of less than P1 Million

Auditors Report for companies with total assets or total liabilities of P600,000.00 or more.

Branch Office/Representative Office with assigned capital in the equivalent amount of less than P1 Million

Regional Operating Headquarters with total revenue in the equivalent amount of less than P1 Million

² **NOT required** if the company was not in operation during the two comparative years

³ **NOT required** if the only change in equity is the net income/loss for the period. (This is applicable only to PFRS for SMEs)

** (1) Statement of Financial Position

Statement of Fund Balance;

(2) Income Statement or Statement of

Receipts/Disbursements;

(3) Applicable explanatory notes

- ☐ Four (4) copies including Original set

To determine that the following entries are properly filled up:

- ☐ Corporate Name
- ☐ Date Registered
- ☐ SEC Registration No.
- ☐ Fiscal Year End
- ☐ Annual Meeting per By-Laws
- ☐ Actual Date of Meeting
- ☐ Corporate Tax Identification Number (TIN)
- ☐ Complete Principal Office Address
- ☐ Primary Purpose
- ☐ Name of Directors / Officers
- ☐ Stockholders' information (for Stock Corporation)
- ☐ TIN for Filipinos and Foreigners
- ☐ Anti-Money Laundering Act (AMLA) – page 1-A
- ☐ Beneficial Ownership Declaration Form
- ☐ Page numbers must be in numerical order
- ☐ ORIGINAL signature of the Corporate Secretary
- ☐ Must be NOTARIZED

¹ **Auditor's Report** for companies with total assets or total liabilities of P600,000.00 or more

Branch Office/Representative Office with assigned capital in the equivalent amount of P1 million or more

Treasurer's Certification for: corporations with less than P600,000.00 total assets or total liabilities

Branch Office/Representative Office with assigned capital in the equivalent amount of less than P1 million or more

² **NOT required** if the company was not in operation during the two comparative years

³ **NOT required** if the only change in equity is the net income/loss for the period. This is applicable only to PFRS for SMEs

⁴ **Applicable** to corporations required to submit the General Form for Financial Statements (GFFS) and Special Form for Financial Statements (SFFS) in CD or diskette per Memorandum Circular No. 6, Series of 2006.

ALL DOCUMENTS
ARE SUBJECT TO
REVIEW OF FORM
AND CONTENTS