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S.E.C. Registration Number

FIRST ABACUS FINANCIAL
HOLDINGS CORPORATION AND
SUBSIDIARIES

(Company's Full Name)

E-2904A EAST TOWER PSE CENTER
EXCHANGE ROAD PASIG CITY

(Business Address: No. Street City/Town/Province)

ATTY. A. FRANCESCA A. RESPICIO

Contact Person

667-8900

Company Telephone Number

1	2		3	1

Month Day

Fiscal Year

SEC FORM SEC 17-A

Form Type

Dec. 31, 2024

Month Day

Annual Meeting

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A (Annual Report)

1. For the year : **December 31, 2024**

2. SEC Identification Number : **ASO94-001420**

3. BIR Tax Identification Number: **043-003-507-219**

4. Exact name of the registrant as specified in its charter:
   FIRST ABACUS FINANCIAL HOLDINGS CORPORATION

5. **Pasig City, Philippines**
   Province, Country or other jurisdiction of incorporation

6. (SEC Use Only)
   Industry Classification Code

7. **Unit –E2901 PSE Center, Exchange Road, Pasig City** — 1605
   Address of the principal office — Postal Code

8. Registrant's telephone number, including area code
   (+632)-6678900

9. Former name, former address, and former fiscal year, if changed since last report
   Not Applicable

10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code:

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock, P1.00 par value	**1,193,200,000 shares**

11. Are any or all these securities listed on the Philippine Stock Exchange?
+

    Yes (x) No ( )

12. Check whether the registrant

(a) Has filed all reports required to be filed by Section 17 of the Securities Regulation Code(SRC) and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports);

    Yes (x) No ( )

(b) Has been subject to such filing requirements for the past 90 days.

    Yes (x) No ( )

13. Aggregate market value of the voting stock held by non-affiliates of the registrant as of **March 31, 2025** : **₱603,814,280:**

a) Total number of shares held by non-affiliates as of March 31, 2025 : 973,894,000 shares

b) Closing price of the Registrant's shares on the Exchange
As of March 31, 2025 : P0.62

c) Aggregate market price (a x b) as of
As of March 31, 2025 : **₱603,814,280**

APPLICABLE ONLY TO REGISTRANTS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENT PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

14. Check whether the registrant has filed all documents and reports required to be filed by Section 17 of the SRC subsequent to the distribution of securities under a plan confirmed by a court or the SEC.

Yes ( ) No ( ) (Not Applicable)

DOCUMENTS INCORPORATED BY REFERENCE

None

TABLE OF CONTENTS

PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Business

First Abacus Financial Holdings (FAFHC) traces its roots from the Seven Seas Oil Exploration and Resources, Inc. (SSOERI). Seven Seas was incorporated on February 15, 1994 and became a publicly listed company on November 21,1994. It was primary engaged in the business of oil exploration and development. Presently, FAFHC is engaged in, through its wholly subsidiaries, stockbroking activities, investment banking, real estate business and other financial services.

Realizing that the local capital and equities markets have a pivotal role in the long-term development of the national economy, the board of directors decided to change SSOERIS's primary purpose from being an oil exploration company into a financial holding company. Thus, on October 26, 1996, the SSOERI's stockholders approved the recommendations of the board to transform the firm. Consequently, on January 25, 1996, the Securities and Exchange Commission (SEC) approved the Company's change of name from Seven Seas Oil Exploration and Resources, Inc. to First Abacus Financial Holdings Corporation. The SEC like wise approved on January 25, 1996 the change on par value of FAFHC's capital stock from Php0.01 to Php 1.00 a share to remove the issue's speculative characteristic and reflect the stock's shift into a full-fledged commercial/industrial issue.

The Company's first strategic corporate re-alignment move was to acquire the Abacus Capital & Investment Corporation (ACIC)- an operating investment house- via a cash and stock swap. ACIC effectively became a wholly owned subsidiary. ACIC, in turn, owned 100% of Abacus Securities Corporation (ASC), one of the leading members of the Philippine Stock Exchange, and Vista Holdings Corporation (VHC), a real estate holding company.

The Company, through ASC, also acquired 25% of Prosperity Properties and Management Corporation (PPMC), used to own a 16-storey building at the Ayala Business Park in Cebu City. In 1996, the Company acquired from its subsidiaries – ACIC and ASC- interests in VHC and PPMC. This resulted in a direct investment in these companies. In 1999, upon approval by the Securities and Exchange Commission of the increase in authorized capital stock of ASC from Php50 million divided into 500,000 shares with a par value of Php100 per share to Php400 million divided into 4 million shares with Php100 par value per share, the Company subscribed to 3.5 million shares representing 87.525% ownership interest. The remaining 12.475% remained with ACIC. Accordingly, the Company's ownership over ASC was changed from 100% indirect to 87.525% direct and 12.475% indirect.

On December 18, 2002, the Board of Directors approved the conversion of advances to Abacus Capital & Investment Corporation (ACIC) as deposit for future stock subscription amounting to Php100,000,000. In 2008, the Company applied P90,000,000 of its deposit for future stock subscription to paid in capital as payment for the remaining subscriptions for the same amount.

Subsidiaries

Abacus Capital and Investment Corp(ACIC). ACIC was incorporated on January 6, 1995. ACIC is engaged in investment banking activities, management services, and treasury and other financial services.

Abacus Securities Corporation(ASC). ASC was incorporated on December 27, 1991. A member of the Philippine Stock Exchange, ASC is engaged in stock brokering services. It engages in buying and selling stocks in Philippine stock market for the accounts of the clients as a broker and for its own account as a dealer.

Vista Holdings Corporation(VHC). VHC was incorporated on January 21, 1993. Presently, Vista Holdings Corporation is engaged in buying and leasing out condo units primarily to its affiliated companies.

FAFHC's Vision

FAFHC's vision is to provide best value integrated financial services to its clients. In the process, Filipinos from all walks of life are enabled to become a part of the capital and equities market. Toward this end, progress and prosperity have stronger prospects of being shared by all.

Abacus Capital and Investment Corporation (ACIC)

ACIC is financially secure, with capital resources of over 400 million; complemented by a core of investment managers providing highly ethical, professional, and client-oriented investment management services.

ACIC provides the following financial services:

a) Corporate Finance

Equity Underwriting Transactions

- Initial Public Offerings
- Stock Rights Offerings
- New Tranche Offerings
- Private Placements of Listed Companies

Financial Advisory

- Share or corporate acquisitions, Buy-Ins/Mergers/Divestments
- Financial review and Restructuring
- Project Development

Debt Underwriting and Loan Arrangements

- Short, Medium, or Long Term Loan Arrangements
- Short and Long Term Commercial Papers Underwriting
- On-going oversight, issue management, agency functions

b) Treasury sales

- Government Securities
- Treasury Bills
- Long and Short Term Commercial Papers
- Preferred Notes

- Promissory Notes
- Money Market Placements`

c) Financing

- Share Margin
- Working Capital Credit Facilities

Abacus Securities Corporation (ASC)

Due to its commitment for quality service, ASC was awarded the Best Local Brokerage House in the Philippines Award from 1990-2008 granted by the Asiamoney.

ASC was the recipient of the Best Securities House in the Philippines Award granted by the EuroMoney International Awards for Excellence for the past two consecutive years, 1998 and 1999. Likewise, the Fund Managers Association of the Philippines honored ASC with a number of citations including Best in Institutional Sales/ Execution and in Settlements in 1998. The awards put ASC in an enviable position as it proved that local stockbrokerages could prove equal to international stockbroker houses.

ASC started operations in March 1992. In five years, ASC established itself as a top Filipino brokerage firm in PSE. The key factors for ASC's successes are: professional management, sound investment advisory, strong research team, real-time market information, and commitment to technology and training.

All these resulted in a strong retail franchise, a top tier domestic institutional sales organization, and growing foreign institutional sales based. Thus, ASC is now positioned to best serve the expanding domestic equities market. Strategically located branches in Binondo, Cebu and Davao support ASC's Head Office operations.

Abacus Securities Corporation was the second ranking stock brokerage house among the top ten PSE brokers. In past years, the large foreign stockbrokerage houses dominated the top ten list of brokers. ASC believes that it can effectively compete with other brokers because of its strong sales groups, the Retail and Institutional Teams. At present, the firm has one of the most extensive based of retail clients driven by the number of branches established and envisioned to be established. Its Institutional Sales Team, on the other hand, has managed to obtain accreditation and establish active working relationships with a number of domestic institutional investors and foreign fund management companies. ASC also has a Research Group that comes out with action-driven reports and recommendations, a quality admired by most of its clients, and even the other stockbrokers. The registrant has an excellent customer service to service its clients. The company established a website to keep its clients abreast of the new developments in stock market.

For the calendar year ended **2024,** Abacus Securities Corporation ranked 19th in terms of total value traded with the total value traded of ₱51,462,592,507.

MyTradePh by Abacus Securities Corporation

MyTrade PH, the digital arm of Abacus Securities Corporation, has emerged as a trailblazer in the online stock brokerage landscape of the Philippines. It offers advanced trading tools which are accessible via desktop and mobile applications, with features that are tailored to give a premium trading experience to clients and ensure seamless operations, even during off-market hours.

A defining feature of MyTrade PH is its robust commitment to research and client education. By providing concise, actionable market insights and analysis, the platform equips investors with the knowledge required to make informed decisions. These efforts align with its mission to make stock market investing accessible, enjoyable, and part of a sustainable financial lifestyle for Filipinos.

Notable milestones further solidify MyTrade PH's position in the industry. MyTrade offers flexible solutions tailored for every type of investor. The MATE (MyTrade Account for Trading Enthusiasts) is a regular trading account that provides users with access to all listed stocks, comprehensive fundamental and technical analysis tools, an investment summary featured in the Navigator, and an exclusive online community where they can engage directly with experts. For those seeking a more guided approach, MyTrade also offers MARGe (MyTrade Affordable Retirement Guide) — often referred to as a "playlist of investments" — a monthly-curated selection by the Research experts, designed to help even beginners confidently navigate the stock market.

MyTrade PH's commitment to innovation has been recognized on multiple occasions, most notably with its three consecutive wins as the "Most Innovative Trading Platform" as well as the "Most Innovative Online Broker" in 2021 by the Global Banking and Finance Review.

With a vision firmly rooted in progress and customer success, MyTrade PH is poised to remain a trusted partner for investors navigating the complexities of the stock market, paving the way for a more inclusive investment landscape in the Philippines.

Vista Holdings Corporation

The primary purpose of the Company is to invest in, purchase, or otherwise acquire and own, hold, use, sell (without engaging in retail trade), assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real and personal property of every kind and description.
VHC continues with its investment program through the acquisition of condominium units. At present, VHC leases its condominium units its affiliated companies.

Vista is not involved in real estate development.

VHC continues to lease its condominium units to its affiliates to be used for its operations.

The Contribution of each service and line of business

		Amounts (In mio)
Fair value gain	₱	317.8
Commissions and fees		111.3
Gain on sale of financial assets		34.4
Others		.3
	₱	**463.8**

Competition

The direct competitors of the Company and its subsidiaries are companies engaged in stock brokering business and are members of the Philippine Stock Exchange; companies engaged in investment banking, financial and management services, and treasury operations; companies and individual owners of condominium units within the area of Ortigas Center, as properties are located in the Philippine Stock Exchange Center Condominium. The indirect competitors of the Company and its subsidiaries are Financing Institution, Growth Funds, Pension and Pre-need companies.

As to the stock brokerage business segment, the Company and its competitors cater the requirements of both institutional and retail clients of our local stock and financial market. In 2021, a total of Php118 billion were traded or done through the local bourse which were divided among the foreign and local brokers. The total value turnover or total amount of value traded are considered the total size of the registrant and its competitors which broker commissions are generated.

The registrant and its competitors almost offering the same services and strengths. Most of the brokerage and financial houses are fully capitalized, offering services for the needs of the institutional and retail clients, they all have created and established a good backroom support, established a good internal and financial control systems. Just recently, numbers of stock brokerage houses have launched an online trading facility to attract more investors and to give investors the easy access of the trading facility, and to keep them abreast with the local and financial market. Long before competitors have applied, focused and established themselves to catch up with the requirements to be a full-fledged financial and brokerage company, the registrant has long pioneered and can rightfully say was the first to institute those strengths.

The consistent exemplary performance comes as a result of the company's steadfast commitment to deliver the best value to customers through professional management, sound investment advisory, strong research team, real-time market information, and commitment to technology and training.
The Company is now positioned to best serve the expanding domestic equities market. Its branches are now strategically located in Binondo, Cebu, and Davao to support the Company’s Head Office operations.

Customers

The Company’s market for its financial products and services include both retail and institutional customer base. No data is available for brokers commission contributed by foreign nationalities as to the regional market. It must be noted that brokers commissions derived from the marketable securities were all transacted through the Philippine Stock Exchange.

The market for the Company’s property development and leasing is primarily the upper income level market.

The Company and its wholly owned subsidiaries are not dependent upon a single customer or few customers. The Company and its subsidiaries do not have a customer that has over 20% or more of the Company’s turnover.

Distribution methods of the product services

The Company and its subsidiaries distribute its services to its clientele by or through:

- Certified Sales Representatives (CSRs) are licensed by the Securities and Exchange Commission to transact for the accounts of the clients of our stock broking business.

- Corporate Finance Group is composed of our top caliber professionals in charge in our investment banking, management and financing activities.

- Our brokerage house has just opened its online trading facility for its existing and prospective clients. With the new online trading platform, our clients can already view their portfolios online, trade their accounts, view their transactions online using their mobile phones, tablets and desktops.

Patents, Trademarks, Licenses, Franchises, Concessions, Royalty Agreements or Labor Contracts.

- License granted by the Securities and Exchange Commission (SEC) to Abacus Capital & Investment Corp. as an Investment House.
- License granted to Abacus Securities as a broker and dealer of Securities which is renewable every year

Aside from the above licenses granted, the registrant and its subsidiaries have no pending applications that need for any government approval.

EMPLOYEES

As of December 31, 2024, the Company and it operating subsidiaries employ 71 permanent employees.

Type Employees	# of Employees	No. of Additional Employees for Ensuing 12 Mos. *	Collective Bargaining Agreement(CBA)	Supplemental Benefits or other incentives
Operations	33	2	N/A	None
Corporate Finance	2	2	N/A	None
Administrative	8	None	N/A	None
Sales	18	1	N/A	None
Accounting & Finance	10	-	N/A	None
Total	71	5		

For the past three years, the Company and its subsidiaries have not experienced any strike or threat of strike from its employees.

Government Approval of Principal products or Services

No existing application needs for government approval

Amount Spent for Research and Development Activities

None

Cost and effects of Compliance with Environmental Laws

Not Applicable

Risk Management Objectives and Policies

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

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Item 2. Properties

The following properties are in prime condition directly owned by the Company and its subsidiaries:

Approximately 110 square meters of office space located at Federal Towers, Binondo (through Vista Holdings Corporation). The unit is being occupied by a subsidiary, Abacus Securities Corporation. The lease agreement was renewed for two (2) years and will expire December 31, 2026. The monthly rental is Seventy Eight Thousand Seven Hundred Ten and 02/100 (₱78,710.02).
Approximately 940 square meters of office space located at the 29th Floor of the East Tower of the Philippine Stock Exchange Center (through Vista Holdings Corporation). The unit is being leased by a subsidiary, Abacus Securities Corporation, for a period of two (2) years. The lease agreement will end December 31, 2026 with a monthly rental of Six Hundred Seventy Two Thousand Six Hundred Twelve and 86/100 (₱672,612.86).

Approximately 483 square meters of office space located at the 29th Floor of the East Tower of the Philippine Stock Exchange Center (Direct).

All properties, as stated above, are owned by First Abacus Financial and its wholly owned subsidiaries. The company has no intention of acquiring/leasing additional properties.

Item 3. Legal Proceedings

The Company is not aware of any material proceeding involving the issuer and its directors, executive officers, underwriter or control person during the past five (5) years.

Item 4. Submission of Matters to Vote of Security Holders

No matters were submitted to a vote of the security holders of the Company during the fourth quarter of 2024.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrant's common equity and related stockholder matters

1) Market Information

The shares of the Company are listed in and traded on the Philippine Stock Exchange. The high and low closing prices for each quarter within the last two (2) fiscal years are as follows:

Applicable Quarter	2024		2023		2022		2021	
	High	**Low**	**High**	**Low**	**High**	**Low**	**High**	**Low**
First Quarter	0.68	0.58	0.72	0.60	0.70	0.59	0.75	0.55
Second Quarter	0.68	0.60	0.72	0.61	0.71	0.59	0.63	0.58
Third Quarter	0.66	0.58	0.62	0.54	0.71	0.62	0.64	0.53
Fourth Quarter	0.70	0.60	0.72	0.54	0.72	0.60	0.72	0.58

During the first quarter of 2025, the issue's highest price per share was at ₱0.69 and its lowest was at ₱0.60. As of the close of trading hours of March 31, 2025, the price at which the Registrant's shares were traded at ₱0.62 per share.

2) Holders

The number of *common shares* issued and outstanding as of **March 31, 2025** was 1,193,200,000. As of **March 31, 2025**, Registrant had 99 shareholders, on the said date the following were the top 20 shareholders:

	Stockholder	Nationality	No. of Shares	%
1	PCD Nominee Corp. – Filipino	Filipino	852,468,000	71.44
2	Paulino S. Soo	Filipino	133,000,000	11.15
3	Abacus Capital & Investment Corp.	Filipino	59,644,000	4.99
4	ACIC FAO 20001	Filipino	32,361,000	2.71
5	Edgardo Limtong	Filipino	28,527,000	2.39
6	Phee Bon Kang	Malaysian	20,000,000	1.68
7	Vista Holdings Corp.	Filipino	14,095,000	1.18
8	Cecilio Pedro	Filipino	12,260,000	1.03
9	Quality Investments & Securities Corp	Filipino	10,720,000	0.90
10	Jimmy S. Soo	Filipino	10,010,000	0.84
11	Elizabeth K. Soo	Filipino	6,000,000	0.50
12	Solar Securities, Inc.	Filipino	4,000,000	0.34
13	Abacus Capital & Investment Corp	Filipino	2,547,000	0.21
14	Uy Louis	Filipino	2,000,000	0.17
15	George Q. Go & Shirley D. Go	Filipino	1,443,000	0.12

16	Jack T. Huang	Filipino	500,000	0.04
17	Quality Investment Securties Corp	Filipino	500,000	0.04
18	Lim, Francisco &/or Dulce	Filipino	304,000	0.03
19	Ong, Henry	Filipino	231,000	0.02
20	Po, Ronald S.	Filipino	200,000	0.017

3) Dividends

No dividends, neither in cash nor stock were declared on the shares for the last two (2) fiscal years, i.e. 2024 and 2023. There are no restrictions that limit the ability to pay dividends on common equity but the Company, as a general rule, shall only declare from surplus profit as determined by the Board of Directors as long as such declaration will not impair the capital of the Company.

4) Recent sales of Unregistered Securities

No unregistered securities or shares of the Company were sold during the last three (3) years (2024, 2023, and 2022).

Item 6. Management's Discussion and Analysis or Plan of Operation

2024

General Business Environment

In 2024, the Philippine business environment demonstrated resilience and adaptability, marked by steady economic growth, proactive policy reforms, and strategic positioning amid global uncertainties.

The Philippines economy expanded by 5.6% in 2024, ranking as the second-fastest among ASEAN nations. This growth was fueled by robust domestic consumption, increased public investments, and a rebound in exports, particularly in electronic and semiconductors. Inflation pressures eased significantly, with rate declining to 3.4% in 2024 from a peak of 6.0% in 2023. This moderation allowed for amore accommodative monetary policy stance.

The Philippine equities market experienced modest gains in 2024, marking its first annual increase since 2019. The Philippines Stock Exchange Index (PSEi) concluded the year at 6,528.79 points, reflecting a 1.2% rise from its 2023 year-end level of 6,454.04.

Despite the overall positive performance, the market faced significant volatility throughout the year. Factors such as shifts in U.S. Federal Reserve policies, geopolitical tensions, and the U.S. elections contributed to market fluctuations.

Performance of the Company

The performance of the Philippine equities market reflects the financial results of the company and its subsidiaries for the year under review.

The Group's consolidated core revenues experienced a significant increase, rising to Php463.8 million from the previous year's Php120.9 million. This growth was largely driven by the valuation gain of financial assets at year-end, which surged from Php20.09 million from last year to Php317.8 million this year. Additionally, the gain on the sale of financial assets rose to Php34.4 million, up from last year's Php0.8 million, marking an increase of Php33.6 million. Commission and fee income also grew by Php13.07 million (13.3%), from Php98.2 million last year to Php111.3 million this year.

The hawkish stance of the BSP Monetary Board had a trailing effect on debt servicing fees, bringing the Group's total costs and expenses for the year to Php634.5 million, a slight increase from the previous year's Php633.3 million. Debt servicing fees related to short-term borrowings continued to represent a major portion of the company's expenses, reflecting its commitment to honoring financial obligations. Other costs and expenses remained relatively stable during the period under review.

The company is reporting a consolidated net loss of Php179.8 million for the year, improving from the previous year's reported net loss of Php512.5 million.

Total assets increased by Php741.4 million, rising from Php7,017.1 million in December 2023 to Php7,758.5 million in December 2024. This growth was primarily attributed to valuation gains in the Group's financial assets at fair value through profit and loss, which grew from Php1,628.5 million last year to Php1,873.8 million this year. Similarly, financial assets at fair value through other comprehensive income increased from Php2,523.04 million last year to Php3,114.8 million this year. These increases were partially offset by the collection of trade receivables, which totaled Php229 million, decreasing from Php2,570.4 million last year to Php2,341.4 million this year.

Correspondingly, total liabilities increased by Php322.2 million, rising from Php6,409.1 million last year to Php6,731.3 million this year. The increase was primarily driven by additional trade payable transactions recorded at month-end, which grew from Php393.6 million last year to Php624.4 million this year. Short-term borrowings also rose by Php87.9 million, from Php5,886.3 million last year to Php5,974.2 million this year. Additionally, other accounts payable and liabilities increased slightly by Php3.4 million, from Php129.3 million last year to Php132.7 million this year.

The rise in total assets had a direct impact on the Group's stockholders' equity, which increased from Php607.9 million last year to Php1,027.2 million this year. This growth was mainly due to the valuation gain of financial assets at fair value through other comprehensive income, as well as the Group's net income/loss results for the year.

The Group continues to leverage synergies among its investment house and other units, adopting a holistic approach to serving the financial, investment, and brokerage needs of its institutional, niche, and expanded clientele. The Group's subsidiaries, particularly its full-service and online brokerage operations, will remain instrumental in supporting investment banking activities—including mergers and acquisitions—while collectively enhancing the Group's potential to revitalize its business and recover from deficits.

Aside from the discussions above, there are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

FINANCIAL RATIOS (SRC Rule 68, as amended October 2011). The following are the Company's financial soundness indicators in two comparative periods:

			31-Dec 2024	**31-Dec 2023**
CURRENT/LIQUITY RATIO				
	Current Assets / Current Liabilities	=	**0.63:1**	0.64:1
	Quick Assets / Current Liabilities	=	**0.63:1**	0.63:1
The ratio is used to give an idea of the company's ability to pay back its short term liabilities with its short term assets.				
DEBT TO EQUITY RATIO	Debt / Equity	=	**6.55:1**	10.54:1
ASSETS TO EQUITY RATIO	Assets / Equity	=	**7.55:1**	11.54:1
Net Profit Margin	Net Income (Loss) / Total Revenue	=	**-0.39**	-4.12
Interest rate coverage ratio is a measure on how well a company can meet its interest payment obligations.				

2023

General Business Environment

The Philippine economy and the Philippine Stock Exchange (PSE) faced multiple challenges in 2023, resulting in performances that fell short of expectations.

Despite overwhelming optimism, the Philippine economy managed to grow by only 5.6% in 2023, a decrease from the 7.6% growth in 2022, and below the government's target range of 6-7%. Expectations were not met due to a number of challenges from both global and domestic fronts. Continuing geopolitical risks such as the Israel-Hamas conflict, the collapse of Silicon Valley Bank which raised concerns about the banking sector, the budget impasse in the US Congress, the weakening of the China's economy had investors adopting a risk-off mode, and consequently cautious tradition behaviors. On the domestic front, continuing concerns over peaking inflation weighed heavily on consumer spending and investment. The central bank's response through monetary policy adjustments had a dual impact, temporarily stabilizing the market but also constraining economic growth due to higher borrowing costs.

The local equities market reflected the broader economic challenges, with the PSE index closing the year at 6,450.04, down 1.77% from the beginning of the year. Volatility was a key factor throughout the year as the PSE experienced significant fluctuations, hitting a yearly high of 7,094.86 and a low of 5,961.99. Technology and renewable energy sectors showed robust growth, driven by global trends towards sustainability and innovation. However, these gains were offset by losses in other sectors due to inflationary pressures and shifts in monetary policies.
`

Nevertheless, the biggest story of the year was one of resilience. Overall, 2023 served as a strong reminder of the interconnectedness of global markets and the importance of agility and diversification in navigating the ever-evolving landscape of equities investing.

Performance of the Company

The conditions in the financial market during the year in review was mirrored in the company's performance during the year. The Company's consolidated core revenues during the year dropped to Php120.9 million from last year's Php347.5 million. There was a significant reduction in the total fees made by the Company's brokerage house and investment house at Php98.2 million, a decline of Php85.2 million from the previous year's Php183.4 million. At the close of the reporting year, fair value gains on financial assets at fair value through profit and loss registered a gain in its value by Php20.1 million, a significant decline by Php141.9 million, from last year's Php162 million.

Money-tightening measures by the BSP Monetary Board pushed interest rates up bringing the Company's total costs and expenses for the year at Php633.4 million, representing an increase of Php8.9 million from last year's Php624.5 million. The additional expenses were mainly due to higher payments of debt servicing fee as other costs and expenses remained flat during the period under review. Our debt servicing fee from our short-term borrowings continued to comprise a large chunk of the company's expenses in keeping with the Company's commitment to honor its obligations.

As can be expected in a bleak investing environment, the company is reporting a consolidated net loss of Php498 million for the year from last year's reported net loss of Php282 million.

There was a decrease noted in total assets for the year amounting to Php1,221.3 million, from Php8,238.4 million in December 2022 to Php7,017.1 million in December 2023. The significant decrease in total assets was brought about by the collection of accounts receivables from Php3,701.2 million last year and ended this year with Php2,570.4 million or a decrease of Php1,130.8 million.

Correspondingly, there was a decrease noted in total liabilities amounting to Php733.4 million from last year's Php7,142.6 million to this year's Php6,409.1. The payments of our short term borrowings including the trade and non trade payables at year end contributed to the decrease in total liabilities during the year.

The combination of the decrease in total assets, the decrease in total revenues during the year, and expensive borrowing costs contributed to the decrease in our stockholders equity at year end.

The Group is leveraging the synergy among its investment house and other units and adopting a holistic approach towards serving the financial, investment, and brokerage requirements of its institutional, niche and expanded clientele. The Group subsidiaries, specifically the full service and online brokerage, will continue to provide distribution muscle in support of investment banking operations, including mergers and acquisitions, and together enhance the potential of the Group to revitalize its business and recover from deficit.

Aside from the discussions above, there are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

FINANCIAL RATIOS (SRC Rule 68, as amended October 2011). The following are the Company's financial soundness indicators in two comparative periods:

			31-Dec 2023	31-Dec 2022
CURRENT/LIQUITY RATIO				
	Current Assets / Current Liabilities	=	**0.64:1**	0.74:1
	Quick Assets / Current Liabilities	=	**0.63:1**	0.74:1
The ratio is used to give an idea of the company's ability to pay back its short term liabilities with its short term assets.				
DEBT TO EQUITY RATIO	Debt / Equity	=	**10.54:1**	6.52:1
ASSETS TO EQUITY RATIO	Assets / Equity	=	**11.54:1**	7.52:1
Net Profit Margin	Net Income (Loss) / Total Revenue	=	**-4.12**	-0.81
Interest rate coverage ratio is a measure on how well a company can meet its interest payment obligations.				

2022

General Business Environment

The year 2022 was another rollercoaster ride for the Philippines. Global and domestic headwinds such as the war in the Ukraine and the fears of a global recession raged, creating surges in commodity prices and dramatic increases in the costs of food such as sugar and onions amid plummeting supply shortages. Nevertheless, the easing of restrictions due to improved COVID-19 risk management created a positive outlook, fueled further by election fever. At the end of the year, the country managed to post a modest 7.6 percent full-year growth driven mainly by domestic consumption tempered by soaring inflation which quickened to a 14-year high of 8.1% in the fourth quarter, putting the full-year average at 5.8%, and breaching the Bangko Sentral Ng Pilipinas goal of 2% to 4%.

Despite the hype created by the reopening of the economy, the 2022 performance of the capital markets was a disappointment to many. The volatility in the global and domestic environments adversely affected the investing climate sending the Philippine Stock Exchange index to shrink 7.81%. From a start-of-year 7,100 level, the PSEi ended at 6,566.22, with broader all shares index inching down 0.04% while sub-indices were a mixed bag. The broad selloff in the US in anticipation of a recession weighed heavily on investor sentiment spiraling into losing week, month, and year. Macro headwinds dominated the year, with higher inflation, higher interest rates, and weaker peso causing risk aversion. Central banks around the world beat back raging inflation by tweaking the interest rate levers. The resulting rate hikes, which took cue from the US Federal Reserve, fueled much of the negative sentiment towards the end of 2022.

Unlike in previous years when elections generally drove market sentiment, the 2022 elections which saw the return to power of the late dictator's son, Ferdinand Marcos Jr., was met with skepticism by investors in the local bourse as shares plunged a day after polls closed. Exacerbating the dire situation was Russia's invasion of Ukraine which sent investors scurrying elsewhere as commodity prices around the world dive-bombed. By the end of June, the local bourse tallied a daily average value turnover of P7.52 billion, contracting 16.1% year-on-year. Data provided by the PSE showed that foreign investors sold more than they bought in the first half of 2022 logging P40.73 billion, 91.16% lower compared to a year ago. Few months later, local bourse found itself swimming in a bear market, hitting a low of 5,700 level.

The local bourse recorded eight listings in the first half: Haus Talk, Inc., Figaro Coffee Group, Inc., Citicore Energy REIT Corp., Bank of Commerce, CTS Global Equity Group, Inc., Raslag Corp., VistaREIT, Inc., and Balai ni Fruitas Inc. Two prospective companies postponed their plans to go public amid volatile market conditions in the second half of 2022. Only one company, Villar-led Premiere Island Power real estate investment trust, mustered the courage to list towards the end of the year.

Performance of the Company

As can be expected, the conditions in the financial market during period under review had a domino effect on the Company's financial performance. The Company's consolidated core revenues during the year dropped to Php347.5 million compared to last year's Php551.3 million. Our Company's brokerage house and investment house managed to record a total fees of Php183.4 million, a decline of Php136.4 million from the previous year's Php319.8 million. At the close of the reporting year, fair value gains on financial assets at fair value through profit and loss registered a gain in its value by Php162 million, a slight decline by Php12.4 million, from last year's Php174.4 million.

Money-tightening measures by the BSP Monetary Board pushed interest rates up bringing the Company's total costs and expenses for the year at Php624.5 million, representing an increase of Php70.4 million from last year's Php554 million. The additional expenses were mainly due to higher payments of debt servicing fee as other costs and expenses remained flat during the period under review. Our debt servicing fee from our short term borrowings continued to comprise a large chunk of the company's expenses in keeping with the Company's commitment to honor its obligations.

In summary, the company is reporting a consolidated net loss of Php282.4 million for the year from last year's reported net loss of Php35 million.

On another important note, comprehensive income of the group ended at Php12 million as compared to the previous year of Php264 million. The improved valuation and quality of asset of the group brought the increase in comprehensive income of the group.

There was an increase in total assets noted for the year amounting to Php415 million, from Php7,823.4 million in December 2021 to Php8,238.4 million in December 2022. The significant increase in total assets was brought about by the marked to market valuation of financial assets at fair value through profit and loss and financial assets at fair value through other comprehensive income with total increase value of Php458.8 million and additional trade and non-trade receivables amounting to Php240.2 million at year end cut-off and due for collection at beginning of the year.

A corresponding increase in total liabilities amounting to Php402.8 million was also noted during the period under review bringing total liabilities from Php6,740 million to Php7,143 million due to increases in short term borrowings, additional trade payables, partially offset by decrease in non-trade payables.

The increase in the value of total assets had a direct effect on the group's stockholders equity at the end of the period from last year's Php1,084 million to this year's Php1,096 million. The increase in valuation of available for sale financial assets increases the comprehensive income of the group and revaluation reserves in stockholders equity amounting to Php296.98 million.

Aside from the discussions above, there are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

FINANCIAL RATIOS (SRC Rule 68, as amended October 2011). The following are the Company's financial soundness indicators in two comparative periods:

			31-Dec 2022	**31-Dec 2021**
CURRENT/LIQUITY RATIO				
	Current Assets / Current Liabilities	=	**0.74:1**	0.77:1
	Quick Assets / Current Liabilities	=	**0.74:1**	0.77:1
The ratio is used to give an idea of the company's ability to pay back its short term liabilities with its short term assets.				
DEBT TO EQUITY RATIO	Debt / Equity	=	**6.52:1**	6.22:1
ASSETS TO EQUITY RATIO	Assets / Equity	=	**7.52:1**	7.22:1
Net Profit Margin	Net Income (Loss) / Total Revenue	=	**-0.81**	**-0.06**
Interest rate coverage ratio is a measure on how well a company can meet its interest payment obligations.				

Item 7. Financial Statements

Please see consolidated financial statements and schedules and annexes

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

For the years 2024, 2023, and 2022, the auditing firm of Punongbayan and Araullo was re-nominated and re-appointed by the Board of Directors to conduct the examination of the financial statements of the Company and its Subsidiaries. In compliance with the SEC Memorandum Circular No. 8 Series of 2003, the assignment of Mr. Yusoph Maute, the engagement's partner, shall not exceed five (5) consecutive years.

There have been no changes in or disagreements with accountants on accounting and financial disclosure.

The audit and audit-related fees paid by the Company in the last two (2) years are as follows:

	2024	2023
A. Audit and Audit-related Fees		
1. Audit of the registrant's annual financial statements or services that are normally provided by the external auditor in connection with the statutory and regulatory filings or engagements.	**₱3,400,000**	₱3,220,000
2. Other assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the registrant's financial statements	-0-	-0-
B. Tax fees	0	0
C. All other fees	-0-	-0-

The Company's Board of Directors reviews and approves the engagement of services of the Company external auditors, who are appointed upon the recommendation of the Audit Committee. Engagement Agreements are executed for every type of engagement, which provides for the scope of the work, timetable, fees, engagement team, etc. for each project.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Registrant

The names and ages of all incumbent Directors, elected on **September 26, 2024** during the Annual Stockholders Meeting and are to serve for a term of one (1) year until their successors shall have been elected and qualified, with their business experiences for the past five (5) years:

Position	Name	Citizenship	Age	Year of Assumption of Office	Number of yrs. as Director
Chairman & President	Paulino S. Soo	Filipino	73	1994 to present	29
Treasurer	Jimmy S. Soo	Filipino	67	1995 to present	27
Director	Anna Francesca Respicio	Filipino	39	2017- present	7
Director	Maria Cristina Encarnacion	Filipino	67	2006 to present	16
Director	Ma. Therese P. Santos	Filipino	67	2006 to present	17
Independent Director	Alden M. Castañeda	Filipino	67	2021to present	3
Independent Director	Maricel P. Arenas	Filipino	68	2021 to present	3
Corporate Secretary	Mariel Angeli R. Quines	Filipino	38	2017 to present	7
Asst Corporate Secretary	Jeseraire Noc L Quisaot	Filipino	29	2014 to present	7

Mr. Paulino S. Soo
Chairman and Chief Executive Officer

Mr. Soo holds a Master in Business Administration degree from the University of Pittsburgh Graduate School of Business and Bachelor of Science degree in Industrial Management Engineering from the De La Salle College. He is the President of Philippine Gaming Management Corporation, Berjaya Pizza Phils. Inc., Perdana Land Philippines Inc., Perdana Hotel Philippines Inc., Cosway Philippines Inc., and Bagan Resources PTE Inc.

Mr. Soo is a Director of Bermaz Auto Philippines Inc. He is the Treasurer of Kailash PMN Management Corporation.

He is Chairman of Abacus Securities Corporation and Abacus Capital & Investment Corporation (1994-present), and Vista Holdings Corporation (1994 - present)

Mr. Jimmy S. Soo
Director - Treasurer

Atty. Soo is a Director of the Company. He obtained his Bachelor of Laws degree from the University of the Philippines and was admitted to the Philippine Bar in 1985. He is the Managing Partner of Soo Gutierrez Leogardo and Lee Law Offices (1992-present). He is currently the Corporate Secretary and a Director of Abacus Capital & Investment Corporation (1995-present) and Vista Holdings Corporation. He is also a Director of Berjaya Pizza Philippines, Inc. He is also an Executive Officer, and/or Director and/or Corporate Secretary of various companies.

Ms. Maria Cristina B. Encarnacion
Director

Ms. Maria Cristina B. Encarnacion, is an incumbent Director of the Company. She has been Chairman and President of Where At Freezines, Inc. since 2010. She is an Editor and/or Writer, and Contributor of several lifestyle books. She is Editor of WhereAt Cebu, and a Contributor to Metro Society and lifestyle publications. She has been a Director of AsiaPhil Manufacturing Industries, Inc. since 1980, and was Chairman from 1993 to 2008. She was Governor of the Society of Philippine Electrical Contractors & Suppliers, Inc. (SPECS) from 1990-2002, and was Executive Vice President of SPECS in 2002. She was Secretary General of the ASEAN Federation of Electrical Engineering Contractors from 2004 to 2007. Ms. Encarnacion received her Bachelor of Science (Statistics) degree from the University of the Philippines, Diliman (1978).

Ms. Ma Therese G. Santos
Director

Ms. Ma. Therese G. Santos is a Director of the Company. She is Associate Director/Administrator of Gravitas Prime, Inc. (2007-present). She is an Independent Director, and the Chairman of the Audit and Compliance Committee and Compensation and Remuneration Committee of Music Semiconductors Corporation (2003-present). Ms. Santos has been an independent Management Consultant by profession since 1997. She was the former Vice President for Treasury and Administration of Music Corporation. Ms. Santos was the Director of Finance for United Development Corporation (1991-1993). Ms. Santos received a Bachelor of Science Degree in Chemical Engineering and a Master's in Business Administration degree from the University of the Philippines.

Mr. Alden Alfonso M. Castañeda
Independent Director

Mr. Castañeda holds a Master in Business Administration degree from the University of Philippines Diliman and graduated as one of the top 10 graduates of 1983-1984. He earned his Bachelor of Science degree in Chemical Engineering from University of the Philippines Diliman where he graduated as a Cum Laude. Mr. Castaneda was a board topnotcher and he was a second placer during the Chemical Engineering board examination in 1980.

Mr. Castaneda is a part time Faculty of University of Asia and Pacific and teaching Marketing Effectiveness Research, Product Development and Management, and Business Mathematics. He is a Senior Consultant at Acumen Strategy Consultants.

He served as Vice President of the various companies: San Miguel PureFoods Company, Inc. (July 2010- June 2016), Wisehill Business Corporation (July 2007-December 2009), ABS- CBN (January 2001-June 2007), and ABS-CBN Broadcasting Corporation (January 2001-January 2003).

Mr. Castaneda occupied various positions in Procter and Gamble Philippines, Inc. in 1979 until 1999 until he became a Marketing Director in July 1999- December 2000.

Ms. Maricel Pangilinan Arenas
Independent Director

Ms. Arenas took her undergraduate studies from the University of the Philippines Diliman. She was the President and Chief Executive Officer of KidZania Manila, Play Innovations, Inc. from 2012 to 2016. She was the Governor of Kidzania Philippines, and member of the Board of Director from 2013-2020. She was a member of the Management Board of McCann Worldgroup Philippines from 2002-2012; The Managing Director of MRM Partners Philippines from 2004-2016; She was the Managing Director of Harrison Communications from 2002-2012; She was a member of the Management Board of McCann-Erickson Philippines from 1990-1998, and was the Senior Vice President for Corporate Affairs of McCann-Erickson Philippines from 1992 to 1998.

Currently, Ms. Arenas is the Chairman and President, and a member of the Board of Trustees of Bantay Bata Foundation.

Ms. Anna Francesca C. Respicio
Director

Ms. Respicio is the incumbent Director of First Abacus Financial Holdings Corporation. She is likewise Corporate Secretary of the following listed companies, Discovery World and its subsidiaries, I-Remit, Inc., Jolliville Holdings Corporation, as well as the following registered corporations: Sterling Bank of Asia, Inc. (A Savings Bank), Tagaytay Highlands International Golf Club, Inc., Tagaytay Midlands Golf Club, Inc., The Country Club At Tagaytay Highlands, Inc., and The Spa and Lodge at Tagaytay Highlands, Inc.

She obtained her Bachelor of Arts degree (Major in Philosophy) in 2007 and her Juris Doctor degree in 2011 from Ateneo de Manila University. She is currently a Partner at Tan Venturanza Valdez. She was admitted to the Philippine bar in April 2012.

Atty. Mariel Angeli R. Quines
Corporate Secretary

Atty. Quines is currently the Corporate Secretary of the Company. She also holds the position of Corporate Secretary for the following corporations: Clever Genius Ventures Corporation, Sapiental Dragons Corporation, Fortune Genius Development Corporation, Stage Craft International Inc., Sino Cargoworks Agencies, Inc., Lamvien Philippines Inc., and Fr. Barbero Foundation for PGH Charity Patients, Inc.

She is the Assistant Corporate Secretary of the following reporting and/or listed companies: I-Remit, Inc., Sterling Bank of Asia Inc. (A Savings Bank), Fidelity Securities, Inc., Star Equities, Inc., JTKC Equities, Inc., Stanley Electric Philippines Inc., Demikk Realty, Inc., Demikk Holdings, Inc., JSD Solutions, Inc., Rythmos DB Inc., Tagaytay Highlands Condominium Community Homeowners Association Inc., Tagaytay Midlands Community Homeowners Association Inc., and Greenlands Community Homeowners Association Inc.

Atty. Quines obtained her Bachelor of Science in Business Economics degree from the University of the Philippines, and her Juris Doctor degree from the Ateneo De Manila University Law School. She was admitted to the Philippine Bar in June 2019.

Currently, she is a Senior Associate at Tan Venturanza Valdez.

Atty. Jeseraire Noc L. Quisaot
Assistant Corporate Secretary

Atty. Quisaot is currently the Assistant Corporate Secretary of the Company. He also holds the position of Assistant Corporation Secretary for the following corporations: Stage Craft International, Inc., Raemulan Lands, Inc., Extraordinary Enclaves, Elanvital Enclaves, Everyhome Enclaves, Katharo Water Solutions, Inc., Kabankalan Bulk Water, Inc., Aviva Global Marine Corp, Manfel Piastrelle Corporation and Navstars Aviation Services, Inc.

Atty. Quisaot obtained his Bachelor of Science in Accountancy and Juris Doctor degrees from the University of San Carlos. He is a Certified Public Accountant and was admitted to the Philippine Bar in May 2023.

Currently, he is an Associate at Tan Venturanza Valdez.

FAMILY RELATIONSHIP

Paulino S. Soo, Chairman of the Board, is the brother of Jimmy S. Soo, Director

There are no other significant employees.

Involvement in Certain Legal Proceedings

The Corporation is not aware of any of the following events wherein any of its directors, nominees for election as director, executive officers, underwriter or control person were involved during the past five (5) years:

(a) any bankruptcy petition filed by or against any business of which any of the above persons was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

(b) any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any of the above persons in any type of business, securities, commodities or banking activities; and,

(c) any finding by a domestic or foreign court of competent jurisdiction (in civil action), the SEC or comparable foreign body, or a domestic of foreign exchange or electronic marketplace or self regulatory organization, that any of the above persons has violated a securities or commodities law, and the judgment has not been reversed, suspended or vacated.

The Company and its major subsidiaries and associates are not involved in, nor are any of their properties subject to, any material legal proceedings that could potentially affect their operations and financial capabilities.

Item 10. Executive Compensation

(1) General

All Compensation Covered

Except for executive officers included under the compensation table below, all other executive officers and directors do not receive salaries.

(2) Summary of Compensation Table

The following is a summary of the aggregate compensation paid or accrued during the last two (2) fiscal years, i.e. 2024 and 2023, and to be paid in the ensuing fiscal year 2025 to the Company's Chief Executive Officer and four (4) other mostly highly compensated executive officers who are individually named, and to all other officers and director of the Company as a group:

Name and Principal Function	**Fiscal Year**	**Salary**	**Bonus**	**Other Annual Compensation**
Paulino S. Soo Chairman and President	**2023** **2024** **2025**			
Jack T. Huang Vice President – Cebu	**2023** **2024** **2025**			
Sheila Marie Aguilar Vice President	**2023** **2024** **2025**			
Melanio C. Dela Cruz Vice President	**2023** **2024** **2025**			
Raymond Neil Franco Vice President - Research	**2023** **2024** **2025**			
Total for the Group	**2023** **2024** **2025**	13,082,820 14,418,040 14,381,513	2,896,378 2,772,261 2,779,508	-0- -0- -0-
All Officers as a Group Unnamed	**2023** **2024** **2025**	15,262,602 17,840,846 20,654,114	3,536,106 3,598,833 4,291,186	-0- -0- -0-

(3) Compensation of Directors

(A) Standard Arrangement

The Member of the Board of Directors are not entitled to receive salaries and bonuses

(B) Other Arrangements.

None

(4) **Employment Contracts and Termination of Employment and Change-in Control Arrangements**.

None

(5) Warrants and Options Outstanding :

None

Item 11. Security Ownership of Certain Beneficial Owners and Management

1. Security Ownership (more than 5%) of Certain Beneficial Owners and Management as of March 31, 2025.

Class	Name and Address record owner and relationship with Issuer	Name of Beneficial Owner and Relationship with Owner	Citizenship	No. of Shares Held	Percentage Of Class
Common	PCD Nominee Corp. 2nd Floor Makati Stock Exchange Bldg. Ayala Avenue Makati City		Filipino	852,468,000	71.44
Common	Paulino S. Soo (record and beneficial) Chairman and President 29th Floor Abacus Securities Corp. East Tower PSE Center, Exchange Road, Pasig City	(Same as owner)	Filipino	133,000,000	11.15
Common	**Abacus Capital and Invt. Corp.(record and beneficial); subsidiary and stockholder 29th Floor East Tower PSE Center, Exchange Road, Pasig City	(Same as owner)	Filipino	62,191,000	5.21
Total				**1,047,659,000**	**87.8**

There is no arrangement that may result in a change in control of the registrant and any voting trust holders

*PCD Nominee corporation ("PCDNC") is a wholly-owned subsidiary of the Philippine Central Depository, Inc. ("PCD"). The beneficial owners of such shares registered under the name of PCDNC are PCD's participants, who hold the shares in their own behalf or in behalf of their clients. Individual or Group owners reported under PCD Nominee Corporation have less than 10% ownership of the outstanding capital stock of the Corporation.

There are no Individuals or Corporate stockholders who own more than 5% of the Company's voting securities under PCD Nominee Corporation.

** Mr. Paulino S. Soo, Chairman and President of Abacus Capital and Investment Corporation, directs the voting/disposition of shares held by both Companies.

1. **Security Ownership of Management**

The following is a summary of the beneficial holdings of the Company's Directors and Executive Officers as of March 31, 2025:

Class	Beneficial Owner	Citizenship	Amount and Nature of Beneficial Ownership[record (r) or beneficial (b)]		Percent of Class
Common	Paulino S. Soo	Filipino	133,000,000	r / b	11.15
-do-	Jimmy S. Soo	Filipino	10,010,000	r / b	0.84
-do-	Anna Franchesca Respicio	Filipino	10,000	r/b	.000
-do-	Maria Therese P. Santos	Filipino	10,000	r/b	.000
-do-	Ma.Cristina B. Encarnacion	Filipino	10,000	r /b	.000
-do-	Maricel Pangilinan Arenas	Filipino	10,000	r/b	.000
-do-	Alden M. Castaneda	Filipino	10,000	r / b	.000
-do-	All directors and Executive Officers as group unnamed		143,060,000	r / b	11.99

2. **Voting Trust Holders of 5% or More**

There is no voting trust or similar arrangement

3. **Changes in Control**

There are no arrangements that may result in a change of control of the registrant and no change of control occurred during the year.

Item 12. Certain Relationship and Related Transactions

Except as provided below, during the last two years, there are no related transactions either direct or indirect with the Company's Board of Directors.

In the normal course of business, the Company grants to and obtains advances from its affiliates. These advances earn interest at rates to the weighted average of the interest rates of the outstanding loans payable to the banks.

There are no transactions with any promoter nor are there any assets to be acquired from a promoter. Registrant has no parent.

PART IV – CORPORATE GOVERNANCE

The Company has been monitoring compliance with SEC Memorandum Circular No.2, Series of 2002, as well as other relevant SEC Circulars and rules on good corporate governance. All directors, officers, and employees complied with all the leading practices and principles on good corporate governance as embodied in the Corporation's Manual. The Company complied with the appropriate performance self-rating assessment and performance evaluation system to determine and measure compliance with the Manual of Corporate Governance.

The Company is not aware of any non-compliance with or deviation from its Manual of Corporate Governance. The Company will continue to monitor compliance with the SEC Rules on Corporate Governance, and shall remain committed in insuring the adoption of other systems and practices of good corporate governance to enhance its value for its shareholders. Please refer to the attached 2020 ACGR.

PART V- EXHIBITS AND SCHEDULES

a) Exhibits

(Please see supplemental financial statements schedules).

b) Sustainability Report

SIGNATURE PAGE

Pursuant to the requirements of the Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of PASIG CITY on 2 4 APR 2025 ,2025.

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION
Issuer

By:

PAULINO S. SOO
Chairman and President

JIMMY S. SOO
Treasurer

ANNA FRANCESCA A. RESPICIO
Director

MARIA CRISTINA B. ENCARNACION
Director

MARIEL ANGELI R. QUINES
Corporate Secretary

REPUBLIC OF THE PHILIPPINES)
PASIG CITY, METRO MANILA) S.S.

SUBSCRIBED AND SWORN TO before me this 24 APR 2025 2025 affiants exhibiting to me their passport number, as follows:

NAMES	PASSPORT#	DATE OF ISSUE	PLACE OF ISSUE
PAULINO S. SOO	P3984265A	Sept. 09, 2017	NCR East
JIMMY S. SOO	P0076899B	Jan. 02, 2019	Manila
ANNA FRANCESCA RESPICIO	P0286448A	Sept. 16, 2016	NCR East
MARIEL ANGELI R. QUINES	P9513760B	April 06, 2022	Manila
MA CRISTINA B. ENCARNACION	P6227789A	Feb. 28, 2018	Manila

Doc. No. 61
Page No. 14
Book No. VI
Series of 2025.

GIANNA CHRIS GAILE E. BITANCOR
Notary Public for Cities of Pasig
and in the Municipality of Pateros
Appointment No. 189 (2024-2025)
Commission Expires on December 31, 2025
2704 East Tower, Tektite Towers, Exchange Road
Ortigas Center, 1605 Pasig City
PTR No. 3040444/01.04.25/Pasig City
IBP No. 499763/01.06.25/Quezon City
Roll of Attorneys No. 84862

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION
SUSTAINABILITY REPORT
For the year ended December 31, 2024

Contextual Information

Company Details	
Name of Organization	First Abacus Financial Holdings Corp (FAF)
Location of Headquarters	29th Floor East Tower, The Philippine Stock Exchange Center, Pasig City
Report Boundary : Legal Entities (e. g. Subsidiaries) included in this report	Covered in the reporting boundary are First Abacus Financial Holdings Corporation and its subsidiaries namely : Abacus Securities Corporation, Abacus Capital & Investment Corporation, and Vista Holdings Corporation
Business Model, including Primary Activities, Brands, Products, and Services	FAFHC is engaged in, through its wholly subsidiaries, stockbroking activities, investment banking, real estate business and other financial services
Reporting Period	January 01, 2024– December 31, 2024
Highest Ranking Person responsible for this report	Mr. Melanio Dela Cruz, Vice President and Group Controller

Materiality Process

We conducted a series of discussions with our key persons in our Group to help us identify the truly important to us and to our stakeholders. To address the materiality concern, we have adopted the following:

1. Understanding the Sustainability Context:

Our Group identified key economic, social, and environmental areas where our business creates value. This process allowed us to identify which impacts are most material considering the three dimensions of sustainability. Furthermore, this identification process guided us in addressing our current and future challenges, and in establishing priorities.

2. Identifying Material Topics: Guided by the Sustainability Framework released by the Securities and Exchange Commission (SEC), we were able to cover the following focus areas: corporate governance, resource and impact management, and contribution to sustainable development through our products and services.

Our Group went through a materiality assessment process that consisted of a series of consultations with key representatives from the different business divisions, which brought forth the concerns of their respective stakeholders. We considered the key impacts of each of our activities and relevant risks and opportunities, including the key capitals we rely on to sustain and grow our business. The senior management drew out the Group's sustainability drivers and aspirations.

3. Measuring Performance and Defining Management Approaches: In 2023, our Group obtained baseline data on each of the material topics identified, which includes substantial content on impacts, risks, opportunities and the subsequent management approaches. The collected metrics were accurate and comparable to GRI reporting standards. We conducted a data gap assessment on each of the performance areas, and began setting-up procedures to systematically collect more data to better measure our sustainability performance.

We also referred to the UN Sustainable Development Goals (SDGs) to see how our business impacts and value creations are linked to delivering on specific SDG targets.

Identifying materiality is an iterative process for us. We will continue to review how we impact the environment and society, how we measure our performance on these impact areas, and how we can better communicate these impacts to our stakeholders.

Important Note: The discussion of impacts, risks, and opportunities are made per topic, instead of per metric, since the risks and opportunities apply to the topic rather than the individual metrics under one topic. For example, for the topic of Anti-corruption, only one discussion on Impacts, Risks, and Opportunities was made that covered both metrics: a) Training on Anti-corruption Policies, and b) Procedures and Incidents of Corruption. This made the disclosure on the management approach more focused and not repetitive.

ECONOMIC PERFORMANCE

Direct Economic Value Generated and Distributed

Disclosure			**Amount(2024)**	**Units**
Direct Economic value generated:			463,820,454	Php
Direct economic value distributed:				
	a.	Employee wages and benefits	77,263,521	Php
	b.	Operating costs		Php
		Payments to suppliers of raw materials	Not applicable	Php
		Other operating costs	114,230,893	Php
	c.	Dividends given to stockholders	None	Php
	d.	Interest paid to loan providers	413,873,830	Php
	e.	Taxes paid to government	29,184,159	Php
	f.	Investments made to community		
		Donations	**₱35,000.00 Donations made by individual officers and employees**	Php

PROCUREMENT PRACTICES

Proportion of spending on local suppliers

Disclosure	**Quantity**	**Units**
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	Not applicable	%

Most of our supplies are sourced locally except for the developer of system for our online trading platform and subscription on Bloomberg software.

What is the impact and where does it occur? Not applicable

Which stakeholders are affected ?   Not applicable

MANAGEMENT APPROACH
This is not applicable to us as most procurement for the group are just procurement of supplies for our office needs, and not for our products.

What are the Risk/s identified?
We assess the risk/s associated with our procurement practices are just considered low risk since we only deal with not material amounts and items

MANAGEMENT APPROACH
The management is dependent on its Officers to handle the risk associated to our procurement practices. To date, we have not received any matter of mispractices reported to management on our procurement practices to date **.**

Direct Economic Performance & Procurement Practices

Impact and Risks : The performance of the local equities market has a direct effect on the performance of our company and its subsidiaries.

Economic drivers and impact: Almost 100% of our revenues flows back primarily to our key stakeholders, which include our employees, clients, different government agencies, and investing community.

Our businesses directly support more than 85 employees, which are either permanent or contractual employees. Other employment opportunities are created from our newly launch online trading platform for brokerage business. As to the stock brokerage business segment, the Company and its competitors cater the requirements of both institutional and retail clients of our local stock and financial market. We also make sure that all taxes set by the government regulations are properly remitted to them, and that our financial gains are distributed to all our other stakeholders.

Direct Economic Value Distribution

Since we are operating in a simple environment, our suppliers are just within the area where we conduct our business activities, and all of our suppliers accredited who do business with us comply with all of the requirements prescribed by the laws. There are accreditation process being implemented by the Company and subsidiaries before dealing with them.

With regard to suppliers, we make sure that contracts agreements are followed diligently by all involved parties. Contracts are standardized to ascertain that the content encompasses all types of transactions with a particular supplier, and that the suppliers are given ample time to review the document before signing. In cases of revisions, a separate document reviewed by our legal is attached. Detailing all agreed revisions as a complementing agreements to the standard contract.

Management Approach for Impacts and Risks

The entire Group – from our top management down to our employees – maintains the highest standard of corporate governance, ensuring that we conduct business ethically at all level of operations. This warrants that the economic value we generate flows only to the right stakeholders who drive the success of our company. Our code of Business Ethics outlines our commitment to act responsibly in all of our professional dealings and relationships.

Anti-corruption
Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization’s anti corruption policies and procedures have been communicated to	100.00	**%**
Percentage of business partners to whom the organization’s anti corruption policies and procedures have been communicated to	100.00	%
Percentage of directors and management that have received anti- corruption training	100.00	%
Percentage of employees that have received anti-corruption training	100.00	%

The group’s anti-corruption approach is part of the Code of Business Ethics of the Company.

All employees are oriented with the Code of Business Ethics of the Company before On-boarding to its new job. Each employee is given a copy of the Company’s Manual. A townhall meeting is conducted from time to time to remind and review the Company’s Manual.

Incident of Corruption

Disclosure	Quantity (2024)	Units
Number of incident in which directors were removed or disciplines for corruption	0	%
Number of incidents in which employees are dismissed or disciplined for corruption	0	%
Number of incidents in which contracts with business partners were terminated due to incidents of corruption	0	%

In 2024, as shown in the table above, there is no incident of corruption recorded by the Company. We discourage and prevent any form of corruption across our value chain, as this would go against our ethical and moral principles. Since we are in financial services company, it may affect our reputation as institution, where dealing with clients and maintaining relationships are difficult if trust is not present.

Identify the impact and where it is occurs? Not applicable

Indicate involvement in the impact ? Not applicable

What are the Risk identified ?

There is an inherent risk identified, the natural level of risk inherent in a process or activity without doing anything to reduce the likelihood or mitigate the severity or a mishap, but control process in place so we can avoid the risk.

What are the opportunity identified?

The management has put in place all security measures and controls so we can avoid and avert any risk associated with all phases of operations. We will continue to study and conduct a comprehensive study to identify the aspects of our business operations that are most vulnerable to corruption. As our company's anti-corruption policies are only part of our Code of Business Ethics, there is also an opportunity to create a single policy on preventing corruption in our company at all levels.

Management Approach for Impacts and Risks

Our Code of Business Ethics (COBE) provides a value-based framework to guide our decisions as we carry out our business. We hold the COBE in high regard and we expect all our employees and contractors to abide by it. Policies against corruption are stipulated in the COBE.

Formal training for COBE, which includes anti-corruption policies, is annually conducted for all our employees, including directors and managers. For the suppliers, they are reminded of the Gift Policy during the annual supplier summit. Our anti-corruption policy is also included in the standard terms and conditions signed by suppliers during accreditation, supplier performance review, and regular sourcing reports.

The following are COBE policies2 in place that are aligned with anti-corruption:

We conduct our business with Integrity. We earn and maintain the trust of those we deal with, both internally and externally, by conducting ourselves with integrity at all times.

> We act in good faith, and are upright and fair in our dealings. Whether verbally or in writing, whether to external or internal parties, we communicate honestly and accurately.
>
> We honor our commitments and make only commitments that we can deliver. We stand by our commitments and make only those commitments that are within our authority to make and that the company can deliver. In carrying out our commitments, we act fairly and responsibly.
>
> We do business, build relationships, and make decisions based on merit. We do not seek to influence others or obtain any advantage, or allow ourselves to be influenced or give to others any advantage, on the basis of gifts or favors. For a better understanding of the applicable gifts and business entertainment policy applicable in your territory, please refer to the Policy on Gifts.

We are committed to Lawful Business Practices. We have the responsibility to know and comply with the laws in the territories where we operate.

> We comply with laws and regulations in the territories where we operate. The various aspects of our business are governed by multiple laws and regulations, some spanning multiple territories. We ensure that our business practices are in accordance with such law and regulations as they apply to us. Legal issues can be complex; in case of doubt as to the laws applicable to a particular course of action, consultation with the appropriate legal resource is recommended.

> We comply with legal limitations on the use of non-public information. In the course of carrying out our responsibilities, we may be exposed to material non-public information. We do not use such information for personal gain; this includes a prohibition on insider trading, or dealing in securities on the basis of such material non-public information. For a better understanding of what constitutes insider trading, please refer to our Policy on Insider Trading.

We Safeguard the Company's Resources and Interests. We are stewards of the company's resources, and have been entrusted to carry out our professional responsibilities in furtherance of the company's legitimate interests. We do so with diligence and loyalty to the company.

> We are stewards of all company resources entrusted to us. Company resources include physical assets, intellectual property and business information, documents and records, and company time. We safeguard all company resources entrusted to us, and ensure that these are used responsibly, and only for legitimate business purposes. We avoid any loss, destruction or waste of company resources.

> We keep confidential all non-public information. In the course of performing our functions, we may be entrusted with or given access to non-public information. We respect and preserve the confidentiality of such information and do not divulge, reproduce, or use such confidential information other than for the purposes intended by the company. We do not use such confidential information for personal gain.

We base all decisions on the best interests of the company. We protect and advance the company's business interests. We avoid interests, relationships or activities that may compromise or impair (or appear to compromise or impair) our ability to (i) act in the best interests of the company, (ii) exercise objectivity in the discharge of our functions, or (iii) perform our duties to the best of our physical and mental abilities. We comply with the company's disclosure rules and conflict of interest policies.

We take action on incidents of corruption when we deem it appropriate to investigate and act on violations of the COBE, subject to the employees' rights to due process and the commitment of confidentiality to the informant. Incidents of corruption are handled immediately in accordance with the Labor Code, and the corresponding sanctions as defined in our Code of Discipline are applied. Non-compliance may result in disciplinary action, including termination. Certain violations may result in the filing of a criminal case, if warranted.

Moreover, our suppliers sign the inclusion of standard terms and conditions during accreditation. Buyers or managers are required to report any violations made by suppliers. We rigorously evaluate and investigate the report, and the confirmation of non-compliance leads to immediate delisting. To prevent the recurrence of such cases, we follow the stipulations indicated in our legal documents regarding non-compliance and the corresponding repercussions of the violation.

ENVIRONMENT

Resource Management

Energy consumption within the organization

Disclosure	Quantity	Units
Energy consumption (Renewable sources)	Not applicable	N/A
Energy Consumption (gasoline)	Not applicable	N/A
Energy consumption (LPG)	Not applicable	N/A
Energy consumption (diesel)	Not applicable	N.A
Energy consumption (electricity)	112,860 (12 mos.)	Kwh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	**This is not applicable to our Company's operations**	
Energy reduction (LPG)		
Energy reduction (diesel)		
Energy reduction (electricity)		
Energy reduction (gasoline)		

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	**Not applicable**	
Water consumption	**492**	**Cu. meter**
Water recycled and reused	**Not applicable**	

Materials used by the organization

Disclosure	Quantity	Units
Materials used weight or volume	**Not applicable**	
Percentage of recycled input materials used in manufacture the organization's primary products and organization	**Not applicable**	

Ecosystem and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	**Not applicable**	
Habitats protected or restored	**Not applicable**	
IUCn Red list species and national conservation list species with habitats in areas affected by operations	**Not applicable**	

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (scope 1) GHG Emissions	Not applicable	
Energy indirect (Scope 2) GHG Emissions	Not applicable	
Emissions of ozone – depleting substances	Not applicable	

Air pollutants

Disclosure	Quantity	Units
Nox	Not applicable	
Sox	Not applicable	
Persitent organis pollutants (POPs)	Not applicable	
Volatile organic compounds (VOCs)	Not applicable	
Hazardous air pollutants(HAPs)	Not applicable	
Particulate matter (PM)	Not applicable	

Solid and Hazardous Wastes
Solid Waste

Disclosure	Quantity	Units
Total solid waste generated		
Reusable	Not applicable	
Recyclable	Not applicable	
Composted	Not applicable	
Incinerated	Not applicable	
Residuals	Not applicable	

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	**Not applicable**	
Total weight of hazardous transported	**Not applicable**	

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	**Not applicable**	
Percent of waste water recycled	**Not applicable**	

Environmental compliance

<u>Non-compliance with environmental Laws and regulations</u>

Disclosure	Quantity	Units
Total amount of monetary fined for non-compliance with environmental laws and/or regulations	**-0-**	**-0-**

No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	**-0-**	**-0-**
No of cases resolved through dispute resolution mechanism	**-0-**	**-0-**

As can be noticed, almost all the answers were not applicable since our business background has no connections or any relationship with any questions above.

S O C I A L

Employee Management
Employee Hiring and Benefits
Employee data

Disclosure	***Quantity***	***Units***
Total number of employees		
# of female employees # of male employees	36 35	% %
Attrition rate		Rate
Ratio of lowest paid employee against minimum wage	1:1	Ratio

Employee Benefits

List of Benefits	Y/N	**% of female employees who availed for the year**	**% of male employees who availed for the year**
SSS	Y	15%	7%
Philhealth	Y	2%	2%
Pag- ibig	Y	5%	2%
Parental leaves	Y	0	0
Vacation Leaves	Y	97%	94%
Sick Leaves	Y	98%	95%
Medical Benefits	Y	21%	18%
Housing Assistance	N		
Retirement fund	Y	2%	-%
Further education support	N		
Company stock option	N		
Telecommuting	N		
Flexible-working hrs	N		

Diversity and Equal Opportunity

Disclosure	Quantity	Units
Percentage of female workers in the workforce	51%	%
Percentage of male workers in the workforce	49%	%
Percentage of female in management positions*	53	%
Number of employees from indigenous communities and/or vulnerable sector?	None	#

First Abacus Financial Holdings Corp.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **First Abacus Financial Holdings Corporation & Subsidiaries** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the year ended **December 31, 2024**, 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 **First Abacus Financial Holdings Corporation's & Subsidiaries** 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 **First Abacus Financial Holdings Corporation & Subsidiaries** or to cease operations, or has no realistic alternative to do so.

The Board of Directors is responsible for overseeing the **First Abacus Financial Holdings Corporation's & Subsidiaries** financial reporting process.

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

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of the **First Abacus Financial Holdings Corporation & Subsidiaries** in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

PAULINO S. SOO
Chairman and Chief Executive Officer

JIMMY S. SOO
Treasurer

APR 29 2025 QUEZON CITY

SUBSCRIBED AND SWORN to before me this __________ at __________, affiants Paulino S. Soo and Jimmy S. Soo exhibiting to me their TIN: 107-047-406 and 133-832-627, respectively.

Signed this _____ day of APR 29 2025.

Doc. No. 298;
Page No. 61;
Book No. 41
Series of 2025

ATTY. CONCEPCION P. VILLAREÑA
Notary Public for Quezon City
Until December 31, 2025
PTR No. 6989624 / January 2, 2025 Q.C
IBP No. 461667 / October 29, 2024 Q.C
Roll No.30457 / 05-09-1980
MCLE VII-0006994 / 09-21-2021
ADM. MATTER No. NP-021 (2024-2025)
TIN No. 131-942-754

P&A
Grant Thornton

FOR SEC FILING

Consolidated Financial Statements and
Independent Auditors' Report

First Abacus Financial Holdings Corporation and Subsidiaries

December 31, 2024, 2023 and 2022

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

Report of Independent Auditors

The Board of Directors and the Stockholders
First Abacus Financial Holdings Corporation and Subsidiaries
Unit 2904-A East Tower, Philippine Stock Exchange Centre
Exchange Road, Ortigas Center
Pasig City

Opinion

We have audited the consolidated financial statements of First Abacus Financial Holdings Corporation and subsidiaries (together hereinafter referred to as the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and the notes to consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements, which indicates that the Group has a deficit of P2.2 billion and P2.0 billion as at December 31, 2024 and 2023, respectively, because of the Group's recurring net loss from operations. As stated in Note 1 to the consolidated financial statements, this condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. However, the Group remains confident that its longstanding presence and established reputation in the market will support the continuity and sustainability of its operations. Further, the management considers a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing before it can satisfy itself that the going concern basis is appropriate as stated in Note 3 to the consolidated financial statements. In connection with our audits, we have performed sufficient audit procedures to evaluate the reasonableness of management's assumptions on the ability of the Group to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described as follows to be the key audit matter to be communicated in our report.

Impairment of Receivables

Description of the Matter

As at December 31, 2024, the Group's receivables amounting to P2.3 billion, net of allowance for impairment of P428.2 million, account for 30% of the Group's consolidated total assets. The Group's management exercised significant judgment and made significant estimates in determining the allowance for impairment on the assets based on an expected credit loss (ECL) model that complies with PFRS 9, *Financial Instruments*. Because of the significance of the amounts involved and the risk of subjectivity of management's judgment and estimation, we have identified the Group's ECL on receivables as a key audit matter.

The Group's significant accounting policies and the significant judgment, including estimation applied by management, and those related to the credit risk assessment process of the Group are disclosed in Notes 2, 3 and 4 to the consolidated financial statements. The other disclosures related to this matter are presented in Note 10 to the consolidated financial statements.

How the Matter was Addressed in the Audit

We have performed substantive audit procedures, which included, among others, evaluating the appropriateness of the Group's ECL methodology based on the requirements of PFRS 9 and the reasonableness of the underlying assumptions thereto. We have assessed the counterparties' repayment abilities by examining payment history and reviewing the counterparties' latest available financial information, and determined the appropriateness of the valuation of the collaterals attached as security to the receivables and compared such valuation against the Group's outstanding receivable balance to ascertain sufficiency of allowance for impairment.

In addition, we have assessed the appropriateness of identification of forward-looking information (overlays) used in ECL model and validated their reasonableness against publicly available information and our understanding of the Group's receivables and industry where they operate.

Other Information

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

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

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Yusoph A. Maute.

PUNONGBAYAN & ARAULLO

By: Yusoph A. Maute
Partner

CPA Reg. No. 0140306
TIN 415-417-641
PTR No. 10465908, January 2, 2025, Makati City
BIR AN 08-002551-046-2023 (until January 24, 2026)
BOA/PRC Cert. of Reg. No. 0002/P-018 (until August 12, 2027)

April 28, 2025

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2024	2023
A S S E T S			
CASH	7	**P 173,812,088**	P 36,884,563
RECEIVABLES - Net	10	**2,341,359,748**	2,570,378,987
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	8	**1,873,848,807**	1,628,544,144
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	9	**3,114,849,330**	2,523,040,799
PROPERTY AND EQUIPMENT - Net	12	**10,725,716**	11,133,202
DEFERRED TAX ASSETS - Net	20	**15,511,565**	23,517,267
OTHER ASSETS - Net	13	**228,399,919**	223,593,897
TOTAL ASSETS		**P 7,758,507,173**	P 7,017,092,859
LIABILITIES AND EQUITY			
INTEREST-BEARING LOANS AND BORROWINGS	14	**P 5,974,206,490**	P 5,886,257,998
DUE TO CUSTOMERS	15	**624,390,783**	393,572,426
ACCOUNTS PAYABLE AND OTHER LIABILITIES	16	**132,721,142**	129,317,892
Total Liabilities		**6,731,318,415**	6,409,148,316
CAPITAL STOCK	17	**1,193,200,000**	1,193,200,000
ADDITIONAL PAID-IN CAPITAL		**3,104,800**	3,104,800
TREASURY SHARES - At Cost	17	**(385,670,581)**	(385,670,581)
REVALUATION RESERVES	17	**2,437,012,138**	1,837,927,075
DEFICIT	1	**(2,220,457,599)**	(2,040,616,751)
Total Equity		**1,027,188,758**	607,944,543
TOTAL LIABILITIES AND EQUITY		**P 7,758,507,173**	P 7,017,092,859

See Notes to Consolidated Financial Statements.

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Notes	2024	2023	2022
REVENUES				
Commissions and fees	2	**P 111,283,694**	P 98,213,833	P 183,405,201
Fair value gains on financial assets at fair value through profit or loss (FVTPL) - net	8	**317,758,072**	20,087,081	162,009,496
Gain on sale of financial assets at FVTPL - net	8	**34,364,214**	800,354	-
Interest income	7	**263,620**	383,078	145,931
Others	8, 10, 22	**150,854**	1,412,372	1,943,630
		463,820,454	120,896,718	347,504,258
EXPENSES				
Interest expense	14, 16, 18	**413,783,830**	414,051,574	364,829,352
Salaries and employee benefits	18	**77,263,521**	75,827,790	74,333,404
Commissions		**38,937,687**	36,464,086	58,309,981
Taxes and licenses		**29,184,159**	28,920,760	34,873,620
Membership fees and dues		**17,058,340**	18,256,958	15,202,957
Communication		**11,059,671**	10,965,790	12,589,961
Exchange fees		**9,268,602**	8,060,758	10,354,441
Professional fees		**9,075,453**	6,561,189	13,391,797
Outside services		**6,650,714**	6,016,013	4,365,878
Depreciation and amortization	12, 13	**5,180,951**	10,173,832	11,891,239
Representation and entertainment		**1,905,708**	1,380,036	1,827,287
Impairment losses on receivables - net	10	**248,669**	-	3,247,655
Transportation and travel		**446,771**	269,370	361,001
Loss on sale of financial assets at FVTPL - net	8	**-**	-	2,682,300
Others	16, 19	**14,398,327**	16,402,002	16,199,587
		634,462,403	633,350,158	624,460,460
LOSS BEFORE TAX		**(170,641,949)**	(512,453,440)	(276,956,202)
TAX INCOME (EXPENSE)	20	**(9,198,899)**	14,817,973	(5,459,696)
NET LOSS		**(179,840,848)**	(497,635,467)	(282,415,898)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized fair value gains on financial assets at fair value through other comprehensive income - net	9	**590,907,287**	9,548,880	296,754,295
Gain (loss) on remeasurements of post-employment defined benefit plan - net	17	**8,177,776**	232,111	(2,106,929)
Total Other Comprehensive Income		**599,085,063**	9,780,991	294,647,366
TOTAL COMPREHENSIVE INCOME (LOSS)		**P 419,244,215**	(P 487,854,476)	P 12,231,468
Basic and Diluted Loss Per Share	21	**(P 0.1760)**	(P 0.4870)	(P 0.2764)

See Notes to Consolidated Financial Statements.

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Capital Stock (see Note 17)	Additional Paid-in Capital	Treasury Shares (see Note 17)	Revaluation Reserves (see Note 17)	Deficit (see Notes 1 and 17)	Total Equity
Balance at January 1, 2024	P 1,193,200,000	P 3,104,800	(P 385,670,581)	P 1,837,927,075	(P 2,040,616,751)	P 607,944,543
Total comprehensive income (loss) for the year	-	-	-	599,085,063	(179,840,848)	419,244,215
Balance at December 31, 2024	**P 1,193,200,000**	**P 3,104,800**	**(P 385,670,581)**	**P 2,437,012,138**	**(P 2,220,457,599)**	**P 1,027,188,758**
Balance at January 1, 2023	P 1,193,200,000	P 3,104,800	(P 385,670,581)	P 1,828,146,084	(P 1,542,981,284)	P 1,095,799,019
Total comprehensive income (loss) for the year	-	-	-	9,780,991	(497,635,467)	(487,854,476)
Balance at December 31, 2023	P 1,193,200,000	P 3,104,800	(P 385,670,581)	P 1,837,927,075	(P 2,040,616,751)	P 607,944,543
Balance at January 1, 2022	P 1,193,200,000	P 3,104,800	(P 385,670,581)	P 1,533,498,718	(P 1,260,565,386)	P 1,083,567,551
Total comprehensive income (loss) for the year	-	-	-	294,647,366	(282,415,898)	12,231,468
Balance at December 31, 2022	P 1,193,200,000	P 3,104,800	(P 385,670,581)	P 1,828,146,084	(P 1,542,981,284)	P 1,095,799,019

See Notes to Consolidated Financial Statements.

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Notes	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax		(P 170,641,949)	(P 512,453,440)	(P 276,956,202)
Adjustments for:				
Interest expense	14, 16, 18	413,783,830	414,051,574	364,829,352
Depreciation and amortization	12, 13	5,180,951	10,173,832	11,891,239
Interest income	7	(263,620)	(383,078)	(145,931)
Impairment losses (recoveries) on receivables	10	248,669	(1,109,668)	3,247,655
Dividend income	8	(8,400)	(130,574)	(74,036)
Operating profit (loss) before working capital changes		248,299,481	(89,851,354)	102,792,077
Decrease (increase) in receivables		228,770,570	1,131,930,559	(243,482,411)
Decrease (increase) in financial assets at fair value through profit or loss		(245,304,663)	122,428,845	(11,665,062)
Increase in financial assets at fair value through other comprehensive income		(901,244)	(1,193,721)	(5,669,853)
Increase in other assets		(8,867,496)	(7,441,368)	(12,753,734)
Increase (decrease) in due to customers		230,818,357	(101,194,791)	(92,003,551)
Decrease in accounts payable and other liabilities		(4,483,020)	(165,716,786)	(66,634,492)
Cash from (used in) operations		448,331,985	888,961,384	(329,417,026)
Interest received		263,620	383,078	145,931
Cash paid for final taxes	20	(258,897)	(281,063)	(1,034,677)
Net Cash From (Used in) Operating Activities		448,336,708	889,063,399	(330,305,772)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property and equipment	12	(2,652,526)	(7,909,341)	(3,855,007)
Acquisition of computer software	13	(60,016)	-	(2,491,332)
Dividends received		8,400	130,574	74,036
Proceeds from disposal of property and equipment	12	-	-	827,474
Net Cash Used in Investing Activities		(2,704,142)	(7,778,767)	(5,444,829)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from additional loans and borrowings	14	2,141,396,491	1,885,028,699	2,272,306,332
Repayments of loans and borrowings	14	(2,053,447,999)	(2,351,902,418)	(1,714,681,546)
Interest paid		(396,459,636)	(412,920,793)	(362,634,918)
Payments of principal portion of lease liabilities	16	(193,897)	(550,506)	(497,410)
Net Cash From (Used in) Financing Activities		(308,705,041)	(880,345,018)	194,492,458
NET INCREASE (DECREASE) IN CASH		136,927,525	939,614	(141,258,143)
CASH AT BEGINNING OF YEAR		36,884,563	35,944,949	177,203,092
CASH AT END OF YEAR		P 173,812,088	P 36,884,563	P 35,944,949

See Notes to Consolidated Financial Statements.

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

1. CORPORATE MATTERS

1.1 Corporate Information

First Abacus Financial Holdings Corporation (the Parent Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on February 15, 1994. The Parent Company wholly owns the following subsidiaries (together herein referred to as the Group), all of which are also incorporated in the Philippines:

Subsidiaries	Nature of Business
Abacus Capital & Investment Corporation (ACIC)	Investment banking
Abacus Securities Corporation (ASC)	Securities brokerage
Vista Holdings Corporation	Leasing

The Parent Company was established primarily to invest in, acquire by purchase, exchange or assignment and hold for investment, shares of capital stock or other securities issued by any corporation, association or other entities. The Parent Company is also involved in providing management advisory services as well as purchasing, selling and assigning accounts receivable, negotiable instruments and other evidences of indebtedness for the payment of money owed by any entity. The Parent Company's shares of stock are listed at the Philippine Stock Exchange (PSE) (see Note 17.6).

The Parent Company and its subsidiaries' registered office, which is also the principal place of business, is located at Unit 2904-A East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City.

1.2 Status of Operations

The Group has a deficit of P2,220,457,599 and P2,040,616,751 as at December 31, 2024 and 2023, respectively. This condition indicates the existence of a material uncertainty, which may cast significant doubt on the Group's ability to continue as a going concern. However, the Group remains confident that its longstanding presence and established reputation in the market will support the continuity and sustainability of its operations.

One of its subsidiaries has made significant progress in the online stock brokerage space, positioning this segment as a key driver for future growth and expansion. The Group's online trading platform, Mytrade, is distinguished by its high-quality customer support and advanced market research capabilities. To ensure an optimal user experience, Mytrade undergoes regular upgrades, incorporating new features such as simplified account opening processes, real-time news updates, daily research insights, and improved chat functionality, all designed to enhance user engagement and platform usability.

The Group's ability to interact effectively with clients through both traditional and digital channels, coupled with a renewed emphasis on cross-unit synergy, is expected to strengthen its market position and restore its status as a leading industry performer.

Furthermore, the Group is strategically leveraging the complementary strengths of its investment house and affiliated units to deliver a comprehensive suite of financial, investment, and brokerage services. The integrated efforts of its subsidiaries particularly the full-service and online brokerage arms provide robust distribution capabilities that support the Group's investment banking activities, including mergers and acquisitions. This holistic and synergistic approach enhances the Group's capacity to revitalize operations, address existing financial challenges, and move towards sustained recovery and recover from deficit.

Moreover, should the need arise for the Group to pay off maturing obligations, the Group has sufficient equity securities held at fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL) that can easily be disposed of.

Accordingly, the consolidated financial statements have been prepared assuming that the Group will continue as a going concern which contemplates the realization of assets and the settlement of liabilities in the normal course of business.

1.3 Approval of Consolidated Financial Statements

The consolidated financial statements of the Group as at and for the year ended December 31, 2024 (including the comparative consolidated financial statements as at December 31, 2023 and for the years ended December 31, 2023 and 2022) were authorized for issue by the Parent Company's Chairman of the Board of Directors (BOD) and Chief Executive Officer on April 28, 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board, and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by PFRS Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Consolidated Financial Statements

The consolidated financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Group presents all items of income, expense and other comprehensive income and losses in a single consolidated statement of comprehensive income.

The Group presents a third consolidated statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the consolidated statement of financial position at the beginning of the preceding period. The related notes to the third consolidated statement of financial position are not required to be disclosed.

(c) Functional and Presentation Currency

These consolidated financial statements are presented in Philippine pesos, the Group's functional currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the consolidated financial statements of the Group are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

2.2 Adoption of Amended PFRS Accounting Standards

(a) Effective in 2024 that are Relevant to the Group

The Group adopted for the first time the following amendments to existing standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024:

PAS 1 (Amendments)	:	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
PAS 7 and PFRS 7 (Amendments)	:	Statement of Cash Flow and Financial Instruments: Disclosures – Supplier Finance Arrangements
PFRS 16 (Amendments)	:	Leases – Lease Liability in a Sale and Leaseback

Discussed below are the relevant information about these pronouncements.

(i) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current.* The amendments provide guidance on whether a liability should be classified as either current or non-current. The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no significant impact on the Group's consolidated financial statements.

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

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

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

(b) *Effective Subsequent to 2024 but not Adopted Early*

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

(i) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)

(ii) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)

(iii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The amendments, however, do not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.

(iv) PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Parent Company and its wholly owned subsidiaries after elimination of intercompany transactions. All intercompany assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities under the Group, are eliminated in full on consolidation.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting principles.

The acquisition method is applied to account for acquired subsidiaries. On an acquisition-by acquisition basis, the Group recognizes any non-controlling interest in the acquiree, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

2.4 Financial Instruments

(a) *Classification and Measurement of Financial Assets*

The classification and measurement of financial assets are described below and in the succeeding page.

(i) *Financial Assets at Amortized Cost*

The Group's financial assets at amortized cost are presented in the consolidated statement of financial position as Cash, Receivables (excluding receivables from employees) and as part of Other Non-current Assets in respect of Clearing and trade guaranty fund (CTGF).

(ii) *Financial Assets at FVOCI*

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

(iii) *Financial Assets at FVTPL*

Equity securities are classified as financial assets at FVTPL, unless the Group designates an equity investment that is not held for trading as at FVOCI at initial recognition. The Group's financial assets at FVTPL include equity securities which are held for trading purposes.

(b) *Impairment of Financial Assets*

The Group recognizes allowance for ECL on its financial assets measured at amortized cost.

The Group recognizes lifetime ECL for trade and other receivables. The ECL on these assets are estimated by applying the simplified approach using a provision matrix developed based on the Group's historical credit loss experience and credit information that are specific to the debtors, adjusted for general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. These assets are assessed for impairment on a collective basis based on shared credit risk characteristics.

(c) *Financial Liabilities*

Financial liabilities include interest-bearing loans and borrowings, due to customers and accounts payable and other liabilities (excluding post-employment defined benefit obligation, and tax-related payable).

2.5 Property and Equipment

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

Condominium units and parking space	15-25 years
Building improvements	5 years
Transportation equipment	5 years
Computer equipment	3-5 years
Furniture, fixtures and equipment	3-5 years

2.6 Intangible Assets

Intangible assets include goodwill, trading right and acquired computer software licenses (presented as part of Other Assets account in the consolidated statement of financial position).

Goodwill represents the excess of the acquisition cost of the investment over the fair value of identifiable net assets of a subsidiary at the date of acquisition. Goodwill is subsequently carried at cost less any accumulated impairment losses. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed (see Note 2.7).

Trading right represents the value of the exchange seat, which allows the Group to trade in the PSE. Trading right is assessed as having an indefinite useful life and is tested annually for impairment and carried at cost less accumulated impairment losses (see Note 2.7).

2.7 Impairment of Non-financial Assets

The Group's property and equipment, investment properties, deferred oil exploration costs, goodwill, computer software, trading right and other non-financial assets are subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets with an indefinite useful life such as goodwill and trading right are tested for impairment at least annually.

2.8 Revenue and Expense Recognition

Revenue comprises revenue from rendering of services (i.e., securities brokerage services, financial advisory and underwriting services, and others) measured by reference to the fair value of consideration received or receivable by the Group for services rendered, excluding value-added tax.

The Group enters into transactions involving the rendering of services. There are no significant judgments involved in determining the transaction price, the allocated amounts to and timing of satisfaction of performance obligations since there is only one transaction price specific to one performance obligation in the respective contracts that is satisfied over time. The transaction price for a performance obligation that is satisfied over time is recognized as revenue as the performance obligation is satisfied. As applicable, customers are invoiced periodically as work progresses, which are also due upon receipt by the customers. Any unbilled amounts at the end of a reporting period for management services are presented in the consolidated statement of financial position as Management fee receivables under the Receivables account as only the passage of time is required before payment of these amounts will be due.

Commissions from brokerage services, which are recognized as actual revenues and are charged to customers on a transaction-date basis as securities transactions occur; hence, recognized at a point in time.

With respect to commission and fees arising from financial advisory and underwriting services (i.e., negotiating, or participating in the negotiation of a transaction for a third party, such as the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses), revenues are recognized at the completion of the underlying transaction or at a point in time. This also includes management and advisory service fees recognized upon satisfaction of primary transaction. The non-refundable portion of the transaction price specifically identifiable is also recognized at a point in time since there is no performance obligation related to this consideration upon acceptance of the contract and payment of the non-refundable fees by customers.

Costs and expenses are recognized in profit or loss upon utilization of goods or services or at the date they are incurred.

2.9 Securities Transactions

Securities transactions (and related commission income and expense, if applicable) are recorded on a transaction date basis.

2.10 Leases – Group as Lessee

The Group amortizes the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

2.11 Employee Benefits

The Group provides benefits to employees through a defined benefit plan, defined contribution plan, and other employee benefits.

The Group's defined benefit post-employment plan covers all regular full-time employees. The pension plan is tax qualified, non-contributory and administered by a trustee. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

3.1 Critical Management Judgments in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the judgments discussed below and in the succeeding pages, apart from those involving estimation, which have the most significant effect on the amounts recognized in the consolidated financial statements.

(a) Going Concern Assumption

When preparing the consolidated financial statements, management makes an assessment of the Group's ability to continue as a going concern. The Group prepares the consolidated financial statements on a going concern basis unless the Group either intends to liquidate or to cease trading, or has no realistic alternative but to do so. When the Group is aware in making its assessment of material uncertainties related to events or conditions that may cast significant doubt upon its ability to continue as a going concern, the management shall disclose those uncertainties.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to 12 months from the end of the reporting period. The management considers a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing before it can satisfy itself that the going concern basis is appropriate.

The management believes that the Group, though it incurs significant operating losses and it has a deficit as at December 31, 2024 and 2023, will continue as a going concern, as disclosed in Note 1.2.

(b) Application of ECL Model to Financial Assets at Amortized Cost

The Group uses a provision matrix to calculate ECL for its receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., enhancements such as collaterals).

The provision matrix is based on the Group's historical observed default rates. The Group's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions). Details about the ECL on the Group's receivables are disclosed in Note 4.2.

(c) Evaluation of Business Model Applied in Managing Financial Instruments

The Group manages its financial assets based on business models that maintain adequate level of financial assets to match its expected cash outflows. The Group developed business models which reflect how it manages its portfolio of financial instruments. The Group's business models need not be assessed at entity level or as a whole but shall be applied at the level of a portfolio of financial instruments and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of individual financial instrument).

In determining the classification of a financial instrument, the Group evaluates in which business model a financial instrument or a portfolio of financial instruments belong to, taking into consideration the objectives of each business model established by the Group as those relate to the Group's investment and trading strategies.

(d) Testing the Cash Flow Characteristics of Financial Assets and Continuing Evaluation of the Business Model

In determining the classification of financial assets, the Group assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal outstanding, with interest representing time value of money and credit risk associated with the principal amount outstanding. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents time value of money and credit risk) does not meet the amortized cost criteria.

In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as modified time value of money, the Group assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion. The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of money element was not modified (the benchmark cash flows). If the resulting difference is significant, the SPPI criterion is not met. In view of this, the Group considers the effect of the modified time value of money element in each reporting period and cumulatively over the life of the financial instrument.

In addition, if more than an infrequent sale is made out of a portfolio of financial assets carried at amortized cost, an entity should assess whether and how such sales are consistent with the objective of collecting contractual cash flows. In making this judgment, the Group considers certain circumstances documented in its business model manual to assess that an increase in the frequency or value of sales of financial instruments in a particular period is not necessary inconsistent with a held-to-collect business model if the Group can explain the reasons for those sales and why those sales do not reflect a change in the Group's objective for the business model.

(e) Distinction Between Operating and Finance Leases for Leases where the Group is a Lessor

The Group has entered into various lease agreements as a lessor. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities.

(f) *Recognition of Provisions and Contingencies*

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events. Similarly, possible outflows of economic benefits to the Group that do not yet meet the recognition criteria of a liability are considered contingent liabilities, hence, are not recognized in the financial statements. Judgment is exercised by management to distinguish between provisions and contingencies. Relevant disclosures are presented in Note 22.

(g) *Distinction between Property, Plant and Equipment and Investment Property*

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

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for administrative purposes. If these portions can be sold separately (or leased out separately under finance lease), the Group accounts for the portions separately. If the portion cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

3.2 Key Sources of Estimation Uncertainty

Following are the discussion on the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) *Estimation of Allowance for ECL*

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is discussed in detail in Note 4.2.

(b) Estimation of Useful Lives of Property and Equipment and Computer Software

The Group estimates the useful lives of property and equipment and computer software based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment and computer software are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical and legal or other limits on the use of the assets.

The carrying amounts of property and equipment and computer software are analyzed in Notes 12 and 13.6, respectively. Based on management's assessment as at December 31, 2024 and 2023, there is no change in the estimated useful lives of property and equipment and computer software during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(c) Determination of Fair Value Measurement for Financial Instruments

The Group carries certain financial assets at fair value, which requires the extensive use of accounting estimates and judgment. Significant components of fair value measurement were determined using verifiable objective evidence such as foreign exchange rates, interest rates, and volatility rates. However, the amount of changes in fair value would differ if the Group utilized different valuation methods and assumptions. Any change in fair value of these financial assets would affect the consolidated comprehensive income. The Group's financial assets measured at fair value are valued using price quoted in an active market.

The carrying values of the Group's financial assets at FVTPL and FVOCI the amounts of fair value changes recognized during the years on those assets are disclosed in Notes 8 and 9, respectively.

(d) Determination of Realizable Amount of Deferred Tax Assets

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The carrying values of recognized and unrecognized deferred tax assets as at December 31, 2024 and 2023 are disclosed in Note 20.

(e) Impairment of Other Non-Financial Assets

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see Note 2.7). Though management believes that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

No impairment loss on non-financial assets was recognized in 2024, 2023 and 2022.

(f) Valuation of Post-Employment Benefit Obligation

The determination of the Group's post-employment defined benefit obligation is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions significantly include, among others, discount rate and salary growth rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment benefit obligation in the next reporting period.

The amount of post-employment defined benefit obligation and the analysis of the movements thereto, as well as the significant assumptions used in estimating such obligation are presented in Note 18.2.

(g) Fair Value Measurement for Investment Properties

The Group's investment properties are composed of condominium units carried at cost at the end of the reporting period. The fair value of investment properties, as disclosed in Notes 5.6 and 13.3, is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and seller in an arm's length transaction as at the valuation date. Such amount is influenced by different factors including the location and specific characteristics of the property (e.g., size, features, and capacity), quantity of comparable properties available in the market, and economic condition and behaviour of the buying parties. A significant change in these elements may affect prices and the value of the assets.

4. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to certain financial risks in relation to its financial instruments. The risk management activities at the level of each company in the Group is coordinated with the Parent Company, in close cooperation with its BOD, and focuses on actively securing the Group's short-to-medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The most significant financial risks to which the Group is exposed to are described as follows:

4.1 Interest Rate Risk

At December 31, 2024 and 2023, Group is exposed to changes in market interest rates through its interest-bearing loans and borrowings and cash in bank, which are subject to variable changes in interest rates. Nonetheless, management believes that the Group's exposure to variable changes in interest rates on cash in bank is not material.

The sensitivity of the Group's loss before tax and equity to a reasonably possible change in interest rates of +/-0.35% and +/-0.59% for interest-bearing loans in 2024 and 2023, respectively. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at the end of the reporting period that are sensitive to changes in interest rates.

Considering all other variables held constant, if the interest rate increased by 0.35% and 0.59% in 2024 and 2023, respectively, loss before tax in 2024 and 2023 would have increased by P18,211,561 and P34,728,922 , respectively. Conversely, if the interest rate decreased by the same percentages loss before tax in the respective years would have been lower by the same amounts.

4.2 Credit Risk

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers and placing bank deposits.

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

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the consolidated statements of financial position (or in the detailed analysis provided in the notes to consolidated financial statements) as summarized below.

(Amounts in PHP)	Notes	**2024**	2023
Cash	7	**173,812,088**	36,884,563
Receivables – net*	10	**2,337,041,555**	2,567,033,546
CTGF	13	**25,907,156**	24,962,438
		2,536,760,799	2,628,880,547

**Receivables –net exclude receivables from employees*

The tables below show the credit quality by class of financial assets as at December 31.

(Amounts in PHP)	**Neither Past Due Nor Impaired**		**Past Due but not Individually Impaired**	**Total**
	High Grade	**Standard Grade**		
December 31, 2024				
Cash	173,812,088	-	-	173,812,088
Receivables:				
Customers/brokers	153,984,856	1,749,024,159	4,893,886	1,907,902,901
Equity margin loans	-	-	534,545,701	534,545,701
Accounts receivable	4,540,722	647,448	149,921,539	155,109,709
Notes receivables	-	4,213,733	68,449,190	72,662,923
Interest receivables	-	7,287,476	45,591,055	52,878,531
Management fees	-	19,550,000	-	19,550,000
Others	-	17,560,163	5,005,342	22,565,505
Receivables – gross*	158,525,578	1,798,282,979	808,406,713	2,765,215,270
Allowance for impairment	-	-	(428,173,715)	(428,173,715)
Receivables – net	158,525,578	1,798,282,979	380,232,998	2,337,041,555
CTGF	-	25,907,156	-	25,907,156
	332,337,666	**1,824,190,135**	**380,232,998**	**2,536,760,799**

** Receivables – gross exclude receivables from employees*

(Amounts in PHP)	Neither Past Due Nor Impaired		Past Due but not Individually Impaired	Total
	High Grade	Standard Grade		
December 31, 2023				
Cash	36,884,563	-	-	36,884,563
Receivables:				
Customers/brokers	111,935,692	1,989,171,765	5,068,827	2,106,176,284
Equity margin loans	-		549,545,701	549,545,701
Accounts receivable	3,261,829	1,266,154	149,745,225	154,273,208
Notes receivables	-	3,345,441	68,449,190	71,794,631
Interest receivables	-	7,287,476	45,591,055	52,878,531
Management fees	-	19,550,000	-	19,550,000
Others	-	29,926,829	11,117,145	41,043,974
Receivables – gross*	115,197,521	2,050,547,665	829,517,143	2,995,262,329
Allowance for impairment	-	-	(427,925,046)	(427,925,046)
Receivables – net	115,197,521	2,050,547,665	401,288,360	2,567,033,546
CTGF	-	24,962,438	-	24,962,438
	152,082,084	2,075,510,103	401,288,360	2,628,880,547

** Receivables – gross exclude receivables from employees*

High Grade credit quality pertains to financial assets with insignificant risk of default based on historical experience. On the other hand, Standard Grade credit quality pertains to financial assets not belonging to High Grade credit quality financial assets but does not exhibit any default or possible impairment.

(a) *Cash in Banks*

The credit risk for cash is considered negligible since the counterparties are reputable banks with high quality external credit ratings. Cash in banks are insured by the *Philippine Deposit Insurance Corporation* up to a maximum coverage of P500,000 (P1,000,000 effective March 15, 2025) for every depositor per banking institution.

(b) *Receivables from Customers/Brokers, Clearing House and Other Receivables*

The Group applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance for all receivables from customers and clearing house, as well as for other receivables.

Receivables from customers/brokers are either fully or partially secured by collateral equity securities (see Note 10). In computing for the lifetime ECL, the Group applied an individual assessment of ECL measurement considering qualitative factors, i.e., longevity of days outstanding, no recorded trading activities and insufficient collateral valuation.

In respect of other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics; however, the Group is exposed to significant credit risk exposure to a number of counterparties due to significance of outstanding receivables from these counterparties. Nevertheless, the Group's management does not consider the risks to be probable since, based on historical information about counterparties' default rates and payment history, management considers the credit quality of receivables that are not past due or impaired to be good.

The Group identifies a default when the receivables become credit impaired or when the customer is not able to settle the receivables within the normal credit terms of 30 to 60 days, depending on the terms with customers; hence, these receivables were already considered as past due on its contractual payment. In addition, the Group considers qualitative assessment in determining default such as in instances where the customer is unlikely to pay its obligations and is deemed to be in significant financial difficulty.

An analysis of the maximum credit risk exposures with available collaterals is shown below.

(Amounts in PHP)	**Gross Maximum Exposure**	**Fair Value of Collaterals**	**Net Exposure**	**Financial Effect of Collaterals**
2024				
Customers/brokers	1,907,902,901	3,767,198,659	-	1,907,902,901
Equity margin loans	534,545,701	444,129,234	90,416,467	444,129,234
	2,442,448,602	**4,211,327,893**	**90,416,467**	**2,352,032,135**
2023				
Customers/brokers	2,106,176,284	4,916,922,500	-	2,106,176,284
Equity margin loans	549,545,701	370,233,366	179,312,225	370,233,366
	2,655,721,985	5,287,155,916	179,312,335	2,476,409,650

4.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a six-month and one-year period are identified monthly.

The Group maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits, mutual funds or short-term marketable securities. Funding for long-term liquidity needs is additionally secured by the Group's ability to sell long-term financial assets.

As at December 31, 2024 and 2023, the Group's financial liabilities have contractual maturities which are presented in the succeeding page.

(Amounts in PHP)	Within 6 months	Between 6 to 12 Months	More than 12 Months	Total
December 31, 2024				
Interest-bearing loans and Borrowings	5,285,838,835	687,476,490	891,165	5,974,206,490
Due to customers	624,390,783	-	-	624,390,783
Accounts payable and other liabilities (excluding post-employment defined benefit obligation and taxes payable)	64,365,875	4,944,907	402,673	69,713,455
	5,974,595,493	**692,421,397**	**1,293,838**	**6,668,310,728**
December 31, 2023				
Interest-bearing loans and borrowings	5,285,536,142	600,721,856	-	5,886,257,998
Due to customers	393,572,426	-	-	393,572,426
Accounts payable and other liabilities (excluding post-employment defined benefit obligation and taxes payable)	35,826,538	31,712,414	2,436,826	69,975,778
	5,714,935,106	632,434,270	2,436,826	6,349,806,202

The contractual maturities reflect the gross cash flows, which may differ from the carrying values of the financial liabilities at the end of the reporting period.

4.4 Other Market Price Risk

The Group's market price risk arises from its investments carried at fair value (financial assets at FVTPL and FVOCI). It manages its risk arising from changes in market price by monitoring the changes in the market price of the investments.

The observed volatility rates using standard deviation of the fair values of the Group's investments held at fair value and their impact on the Group's consolidated net profit and consolidated other comprehensive income as at December 31, 2024 and 2023 are summarized as follows:

			Impact of Increase		Impact of Decrease	
(Amounts in PHP)	Increase	Decrease	Profit or Loss	Other Comprehensive Income	Profit or Loss	Other Comprehensive Income
2024						
Financial assets at FVTPL	+28.63%	-28.63%	591,278,847	-	(591,278,847)	-
Financial assets at FVOCI – Berjaya Philippines, Inc. (BCOR)	+75.26%	-75.26%	-	2,327,302,106	-	(2,327,302,106)
			591,278,847	**2,327,302,106**	**(591,278,847)**	**(2,327,302,106)**

(Amounts in PHP)	Increase	Decrease	Impact of Increase: Profit or Loss	Impact of Increase: Other Comprehensive Income	Impact of Decrease: Profit or Loss	Impact of Decrease: Other Comprehensive Income
2023						
Financial assets at FVTPL	+31.55%	-31.55%	513,874,812	-	(513,874,812)	-
Financial assets at FVOCI – BCOR	+33.51%	-33.51%	-	870,162,596	-	(870,162,596)
			513,874,812	870,162,596	(513,874,812)	(870,162,596)
2022						
Financial assets at FVTPL	+31.62%	-31.62%	553,581,054	-	(553,581,054)	-
Financial assets at FVOCI – BCOR	+56.69%	-56.69%	-	1,415,548,277	-	(1,415,548,277)
			553,581,054	1,415,548,277	(553,581,054)	(1,415,548,277)

The investments in equity securities classified as financial assets at FVOCI are considered long-term, strategic investments. In accordance with the Group's policies, no specific hedging activities are undertaken in relation to these investments.

The volatility rates of investment in golf club shares were not presented as at December 31, 2024 and 2023 since the impact of these volatility rates using standard deviation of the golf club shares in other comprehensive income would not be significant.

5. CATEGORIES, OFFSETTING AND FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

5.1 Carrying Amounts and Fair Values by Category

For the Group's financial assets and financial liabilities as at December 31, 2024 and 2023, management determined that the carrying amounts of these financial instruments are equal to or approximate their fair values; hence, no further comparison between the carrying amounts and fair values is presented.

See Note 2.4 for the description of the accounting policies for each category of financial instruments. A description of the Group's risk management objectives and policies for financial instruments is provided in Note 4.

5.2 Offsetting of Financial Assets and Financial Liabilities

The following financial assets with net amounts presented in the consolidated statements of financial position are subject to offsetting agreement:

(Amounts in PHP)	**Gross amounts recognized in the consolidated statements of financial position: Financial assets**	**Gross amounts recognized in the consolidated statements of financial position: Financial liabilities set-off**	**Net amount presented in the consolidated statements of financial position**
December 31, 2024			
Due to clearing house	**31,057,483**	**-**	**31,057,483**

(Amounts in PHP)	Gross amounts recognized in the consolidated statements of financial position: Financial assets	Gross amounts recognized in the consolidated statements of financial position: Financial liabilities set-off	Net amount presented in the consolidated statements of financial position
December 31, 2023			
Due to (from) clearing house	11,974,694	(9,882,904)	2,091,790

Due from customers accounts are set-off with due to customers account of ASC. The Parent Company and ACIC agreed with the ASC's directors and key officers in an offsetting arrangement wherein any amounts due from the directors and key officers (which are included as part of Due from Customers under Receivables in the consolidated statements of financial position) arising from trading transactions will be offset against the related amount of due to customers that is payable to the Parent Company and ACIC.

Due to (from) clearing house refers to the outstanding balance for the last two trading days of the year in compliance with the T+2 rule where all buying and selling transactions must be settled two days after the transaction date.

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements, each agreement between ASC and its customers allows for net settlement of the relevant financial assets and financial liabilities when both elect to settle on a net basis.

There were no other financial assets and financial liabilities set-off in 2024 and 2023 other than the receivables from clearing house and amounts due to customers.

Currently, other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument, particularly related parties, will have the option to settle all such amounts on a net basis in the event of default of the other party through approval of both parties.

5.3 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets, which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

5.4 Financial Instrument Measured at Fair Value

The tables below show the fair value hierarchy of the Group's classes of financial assets and financial liabilities measured at fair value in the consolidated statements of financial position on a recurring basis as at December 31, 2024 and 2023.

(Amounts in PHP)	**Level 1**	**Level 2**	**Level 3**	**Total**
December 31, 2024				
Financial assets at FVOCI	3,092,349,330	22,500,000	-	3,114,849,330
Financial assets at FVTPL	1,873,848,807	-	-	1,873,848,807
	4,966,198,137	**22,500,000**	**-**	**4,988,698,137**
December 31, 2023				
Financial assets at FVOCI	2,504,540,799	18,500,000	-	2,523,040,799
Financial assets at FVTPL	1,628,544,144	-	-	1,628,544,144
	4,133,084,943	18,500,000	-	4,151,584,943

The fair values of the listed equity securities were determined directly by reference to quoted prices published by the PSE and are classified under Level 1 in the fair value hierarchy (see Note 5.3). On the other hand, the fair values of the club shares under Level 2 were determined using the prices published by an SEC-registered club share broker.

There were no financial liabilities measured at fair value as at December 31, 2024 and 2023 and neither were there transfers among fair value hierarchies in both years.

5.5 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The tables below and in the succeeding page summarize the fair value hierarchy of the Group's financial assets and financial liabilities which are not measured at fair value in the consolidated statements of financial position but for which fair value is disclosed.

(Amounts in PHP)	**Level 1**	**Level 2**	**Level 3**	**Total**
December 31, 2024				
Financial assets:				
Cash	173,812,088.	-	-	173,812,088
Receivables - net	-	-	2,341,359,748	2,341,359,748
CTGF	-	-	25,907,156	25,907,156
	173,812,088	**-**	**2,367,266,904**	**2,541,078,992**

(Amounts in PHP)	Level 1	Level 2	Level 3	Total
Financial liabilities:				
Interest-bearing loans and borrowings	-	-	5,974,206,490	5,974,206,490
Due to customers	-	-	624,390,783	624,390,783
Accounts payable and other liabilities	-	-	69,713,455	69,713,455
	-	**-**	**6,668,310,728**	**6,668,310,728**
December 31, 2023				
Financial assets:				
Cash	36,884,563	-	-	36,884,563
Receivables - net	-	-	2,570,378,987	2,570,378,987
CTGF	-	-	24,962,438	24,962,438
	36,884,563	-	2,595,341,425	2,632,225,988
Financial liabilities:				
Interest-bearing loans and borrowings	-	-	5,886,257,998	5,886,257,998
Due to customers	-	-	393,572,426	393,572,426
Accounts payable and other liabilities	-	-	69,975,778	69,975,778
	-	-	6,349,806,202	6,349,806,202

For cash, with fair value included in Level 1, fair value is based on unadjusted quoted amount from the counterparty banks. The fair values of the financial assets and financial liabilities included in Level 3, which are not traded in an active market is determined by reference to the current market value of another instrument, which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation technique, it maximizes the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

5.6 Fair Value Measurement of Non-financial Assets

The market value of the Group's investment properties, which consist of condominium units, amounts to P255,197,921 and P296,404,559 as at December 31, 2024 and 2023, respectively, and is based on the market comparable approach that reflects recent transaction prices for similar properties and adjacent properties.

The Level 2 fair value of the condominium units was derived using the observable recent prices of the reference properties and were adjusted for differences in key attributes such as property size, zoning, and accessibility. The most significant input into this valuation approach is the price per square meter; hence, the higher the price per square meter, the higher the fair value of the properties (see Note 13.3).

6. SEGMENT REPORTING

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group is organized into the following business segments:

(a) *Securities brokerage* – handles buying and selling of shares of stock, bonds and other securities.
(b) *Investment house* – provides services which include underwriting of financial instruments and management fees from financial and management advisory services.
(c) *Leasing and others* – includes leasing of condominium units and other segment activities, none of which constitute a separately reportable segment.

Transactions between the business segments are on normal commercial terms and conditions. Funds are ordinarily allocated between segments, resulting in funding cost transfers disclosed in operating income. Interest charged for these funds ranges from 4.50% to 8.50% in 2024 and 2023, and from 2.25% to 7.00% in 2022 (see Note 14).

Inter-segment revenues and expenses also include rentals from the operating leases on condominium units managed by certain segments. There are no other material items of income or expense between the business segments.

Segment assets and liabilities comprise operating assets and liabilities including items such as taxation and borrowings.

When the Group prepares its investor presentations and/or when the Group's Executive Committee evaluates the financial performance of the operating segments, it disaggregates revenue similar to its segment reporting as presented in the succeeding page.

The Group determines that the categories used in the investor presentations and financial reports used by the Group's Executive Committee can be used to meet the objective of the disaggregation disclosure requirement of PFRS 15, which is to disaggregate revenue from contracts with customers and other counterparties into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

The tables in the succeeding page present revenue and profit information regarding industry segments for the years ended December 31, 2024, 2023 and 2022 and certain assets and liabilities information regarding industry segments as at December 31, 2024, 2023 and 2022.

(Amounts in PHP)	**Securities Brokerage**	**Investment Banking**	**Leasing and Others**	**Total before Elimination**	**Elimination**	**Group**
December 31, 2024						
Revenues:						
External	184,714,444	(15,186,254)	294,292,264	463,820,454	-	463,820,454
Inter-segment	5,889,837	29,004,359	8,717,070	43,611,266	(43,611,266)	-
	190,604,281	13,818,105	303,009,334	507,431,720	(43,611,266)	463,820,454
Expenses:						
Interest expense	14,313,024	358,939,189	40,531,617	413,783,830	-	413,783,830
Depreciation and amortization	5,084,951	96,000	-	5,180,951	-	5,180,951
Other expenses						
External	149,574,813	58,832,381	7,090,428	215,497,622	-	215,497,622
Inter-segment	12,363,296	12,428,121	18,819,849	43,611,266	(43,611,266)	-
	181,336,084	430,295,691	66,441,894	678,073,669	(43,611,266)	634,462,403
Profit (loss) before tax	**9,268,197**	**(416,477,586)**	**236,567,440**	**(170,641,949)**	**-**	**(170,641,949)**
Tax expense	**(8,000,203)**	**(830,992)**	**(367,704)**	**(9,198,899)**	**-**	**(9,198,899)**
Net profit (loss)	**1,267,994**	**(417,308,578)**	**236,199,736**	**(179,840,848)**	**-**	**(179,840,848)**
Segment assets	**1,220,843,543**	**6,590,039,044**	**1,592,654,848**	**9,403,537,435**	**(1,645,030,262)**	**7,758,507,173**
Segment liabilities	**847,332,589**	**5,849,397,061**	**873,311,158**	**7,570,040,808**	**(838,722,393)**	**6,731,318,415**
December 31, 2023						
Revenues:						
External	128,412,846	(19,699,506)	12,183,378	120,896,718	-	120,896,718
Inter-segment	549,378	124,721,583	322,765	125,593,726	(125,593,726)	-
	128,962,224	105,022,077	12,506,143	246,490,444	(125,593,726)	120,896,718
Expenses:						
Interest expense	13,687,732	375,640,272	39,253,529	428,581,533	(14,529,961)	414,051,574
Depreciation and amortization	7,738,497	100,500	2,334,835	10,173,832	-	10,173,832
Other expenses						
External	145,964,173	57,298,315	5,862,266	209,124,754	-	209,124,754
Inter-segment	11,063,768	-	-	11,063,768	(11,063,768)	-
	178,454,170	433,039,087	47,450,630	658,943,887	(25,593,729)	633,350,158
Loss before tax	(49,491,946)	(328,017,010)	(34,944,487)	(412,453,443)	(99,999,997)	(512,453,440)
Tax income (expense)	15,377,866	(471,985)	(87,908)	14,817,973	-	14,817,973
Net loss	(34,114,080)	(328,488,995)	(35,032,395)	(397,635,470)	(99,999,997)	(497,635,467)
Segment assets	987,593,023	6,398,937,232	1,394,671,124	8,781,201,379	(1,764,108,520)	7,017,092,859
Segment liabilities	618,898,820	5,844,177,358	912,439,521	7,375,515,699	(966,367,383)	6,409,148,316

(Amounts in PHP)	Securities Brokerage	Investment Banking	Leasing and Others	Total before Elimination	Elimination	Group
December 31, 2022						
Revenues:						
External	162,939,705	25,078,740	159,485,813	347,504,258	-	347,504,258
Inter-segment	-	32,893,093	9,675,935	42,569,028	(42,569,028)	-
	162,939,705	57,971,833	169,161,748	390,073,286	(42,569,028)	347,504,258
Expenses:						
Interest expense	28,937,171	320,427,246	48,274,433	397,638,850	(32,809,497)	364,829,353
Depreciation and amortization	9,040,260	22,721	2,828,258	11,891,239	-	11,891,239
Other expenses						
External	158,471,680	83,918,575	5,349,613	247,739,868	-	247,739,868
Inter-segment	9,759,531	-	-	9,759,531	(9,759,531)	-
	206,208,642	404,368,542	56,452,305	667,029,489	(42,569,028)	624,460,460
Profit (loss) before tax	(43,268,937)	(346,396,709)	112,709,444	(276,956,202)	-	(276,956,202)
Tax expense	(1,565,985)	(3,147,315)	(746,396)	(5,459,696)	-	(5,459,696)
Net profit (loss)	(44,834,922)	(349,544,024)	111,963,048	(282,415,898)	-	(282,415,898)
Segment assets	1,156,932,088	7,123,430,002	1,394,646,568	9,675,008,658	(1,436,624,191)	8,238,384,467
Segment liabilities	754,692,946	6,131,005,003	875,192,931	7,760,890,880	(618,305,432)	7,142,585,448

7. CASH

This account includes the following:

(Amounts in PHP)	**2024**	2023
Cash in banks	**173,705,467**	36,777,942
Cash on hand	**106,621**	106,621
	173,812,088	36,884,563

Cash in banks generally earn interest at rates based on daily bank deposit rates. Interest income from bank deposits is presented as part of Interest Income under Revenues section in the consolidated statements of comprehensive income.

In compliance with the Securities Regulation Code (SRC) Rule 49.2, *Restrictions on Borrowings by Members, Brokers, and Dealers*, covering customer protection, reserves and custody of securities, the Group maintains a special reserve bank account of the Group for the exclusive benefit of its customers in relation to the Group's securities and brokerage business.

Reserve requirement is determined on a monthly basis using SEC-prescribed computation. The special reserve bank account of the Group has a restricted balance of P522,996 and P522,876 as at December 31, 2024 and 2023, respectively, and is in compliance with the reserve requirement.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Equity securities include investments in shares of stock of publicly-listed entities which are held solely for trading purposes. These shares are carried at fair value as determined directly by reference to published prices quoted in an active market. For investments in shares of stock of publicly-listed entities, which are suspended for trading as at the end of the reporting period, if any, the last transacted price was used in the determination of fair value.

The reconciliation of financial assets at FVTPL as of December 31 are as follows:

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**1,628,544,144**	1,750,972,989
Disposals	**(4,268,617,307)**	(543,514,000)
Additions	**4,196,163,898**	400,998,074
Unrealized fair value gains - net	**317,758,072**	20,087,081
Balance at end of year	**1,873,848,807**	1,628,544,144

In 2024 and 2023, the net gains amounted to P34,364,214 and P800,354, respectively, and were presented under Gain on Sale of Financial Assets at FVTPL in the consolidated statements of comprehensive income. In 2022, the net loss on sale of financial assets at FVTPL amounted to P2,682,300 and is presented under Loss on Sale of Financial Assets at FVTPL in the 2022 consolidated statement of comprehensive income.

The Group's net fair value gains on investments arising from mark-to-market valuation of investments at FVTPL are presented as Fair Value Gains on Financial Assets at FVTPL in the consolidated statements of comprehensive income.

The dividends earned on financial assets at FVTPL in 2024, 2023, and 2022 amounted to P8,400, P130,574 and P74,036, respectively. This amount is presented as part of Others under Revenues section of the consolidated statements of comprehensive income.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at FVOCI include the following:

(Amounts in PHP)	**2024**	2023
BCOR	**3,092,349,330**	2,504,540,799
Others	**22,500,000**	18,500,000
	3,114,849,330	2,523,040,799

Other financial assets at FVOCI pertain to other equity securities and proprietary membership in golf and country club shares.

The movements of financial assets at FVOCI are as follows:

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**2,523,040,799**	2,512,298,198
Unrealized fair value gains – net	**590,907,287**	9,548,880
Additions	**901,244**	1,193,721
Balance at end of year	**3,114,849,330**	2,523,040,799

Unrealized fair value gains on financial assets at FVOCI are presented in the consolidated statements of comprehensive income as items that will not be reclassified subsequently to profit or loss.

Net cumulative fair value changes on financial assets at FVOCI amounted to P2,439,115,992, P1,848,208,705 and P1,838,659,825 as at December 31, 2024, 2023 and 2022, respectively, and are presented as part of the Revaluation Reserves account in the consolidated statements of financial position (see Note 17.2).

10. RECEIVABLES

The breakdown of this account is as follows:

(Amounts in PHP)	Notes	**2024**	2023
Current:			
Due from customers/brokers	10.2	**1,907,902,901**	2,106,176,284
Accounts receivable	10.3	**82,888,941**	81,748,702
Notes receivables	10.4	**72,662,923**	71,794,631
Interest receivables	10.4	**52,878,531**	52,878,531
Management fees	11.1	**19,550,000**	19,550,000
Others	11.2	**17,788,090**	35,293,808
		2,153,671,386	2,367,441,956
Non-current:			
Equity margin loans	10.1	**534,545,701**	549,545,701
Accounts receivable	10.3	**72,220,768**	72,220,768
Others	11.2	**9,095,608**	9,095,608
		615,862,077	630,862,077
		2,769,533,463	2,998,304,033
Allowance for impairment		**(428,173,715)**	(427,925,046)
		2,341,359,748	2,570,378,987

All receivables of the Group have been assessed for impairment in 2024 and 2023. Portion of receivables from customers and certain counterparties are found to be individually impaired and allowances have been recognized accordingly.

A reconciliation of the allowance for impairment at the beginning and end of 2024 and 2023 is shown below.

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**427,925,046**	429,034,714
Impairment losses	**735,830**	-
Reversal of impairment losses	**(487,161)**	(1,109,668)
Balance at end of year	**428,173,715**	427,925,046

The reversal of impairment losses is presented as part of Others under Revenues section in the consolidated statements of comprehensive income. Impairment losses in 2024 and 2022 is presented under Impairment losses on receivables - net in the consolidated statements of comprehensive income.

10.1 Equity Margin Loans

Effective January 1, 2007 and until the Group's BOD reverses the resolution, management decided to stop recognizing interest on equity margin loans by virtue of a BOD resolution after the Group received requests from its customers for a moratorium on interest charges on equity margin loans.

These receivables are provided with an allowance for impairment amounting to P184,786,358 as of December 31, 2024 and 2023, and the remaining balance is secured by certain quoted equity securities (pledged by certain customers) with a total market value of P444,129,234 and P370,233,366 as at December 31, 2024 and 2023, respectively.

10.2 Due from Customers/Brokers

Due from customers/brokers pertain to outstanding receivable from customers and brokers related to the Group's securities trading transactions and are normally due within two days from transaction date. Receivables are subjected to impairment testing based on the present value of the estimated future cash flows. The Group's Due from customers/brokers are either fully or partially secured by collateral equity securities (see Note 4.2).

10.3 Accounts Receivable

Receivables from employees, which are unsecured and noninterest-bearing, amount to P4,318,193 and P3,345,441 as at December 31, 2024 and 2023, respectively.

Accounts receivable also include a receivable from Kestrel Resources Philippines, Inc. (Kestrel) (a third party engaged in purchasing receivables) amounting to P75,467,026 as of December 31, 2024 and 2023 which arose from an Assignment of Receivables Agreement (the Agreement) executed between the Group and Kestrel on April 12, 2002. These receivables represent the balance of an equity margin loan of a previous customer after deducting a partial settlement through a *dacion en pago* arrangement, whereby the original debtor transferred to the Group certain condominium units valued at P65,280,000 (see Note 13.3).

In 2023, the Group collected P3,000,000 from these receivables. As of December 31, 2024 and 2023, the Group has provided allowance for impairment of P75,467,026 on Kestrel's account. No additional impairment was recognized in 2024 and 2023.

10.4 Notes and Interest Receivables

Notes and interest receivables represent unsecured outstanding claims from an individual, which are due upon demand. These receivables are fully provided with an allowance and have zero outstanding balance as of December 31, 2024 and 2023.

11. RELATED PARTY TRANSACTIONS

The summary of the Group's significant transactions with its related parties as at and for the years ended December 31, 2024, 2023 and 2022 presented below.

(Amounts in PHP)		**2024**		2023		2022	
Related Party Category	**Notes**	**Amount of Transactions**	**Outstanding balances**	Amount of Transactions	Outstanding balances	Amount of Transactions	Outstanding balances
Related Parties Under Common Ownership Or Directorship:							
Management fees	11.1	**-**	**19,550,000**	-	19,550,000	-	19,550,000
Lease of properties	11.2	**107,143**	**10,478,939**	53,571	10,436,837	1,021,864	10,383,266
Trading transactions – net	11.6	**1,218,518,389**	**466,301,778**	613,326,742	-	737,751,124	-
Purchase of property	11.7	**-**	**-**	-	-	2,400,000	-
Key management Personnel:							
Compensation	11.3	**74,115,215**	**-**	42,390,396	-	33,592,051	-
Acquisition of transportation equipment	11.4	**1,449,999**	**-**	2,808,986	-	333,582	-
Sale of transportation equipment	11.4	**-**	**-**	-	-	827,474	-
Trading transactions – net	11.6	**232,644,682**	**275,552,997**	888,498,177	508,197,579	835,320,949	579,160,090
Fair value of plan assets	11.5	**-**	**41,218,012**	-	36,295,151	-	35,775,406

All of the Group's receivables from related parties were subjected to the ECL assessment. Based on management's assessment, no additional impairment losses are required to be recognized on these receivables from related parties at the end of each reporting period. Details of the foregoing transactions are as follows:

11.1 Management Fees

The Group previously earns management fees from Philippine Gaming Management Corporation (PGMC), an entity under common key management personnel, by virtue of the Management Services Agreement (the Agreement) between the Parent Company and PGMC. However, no management fees were billed to PGMC in 2024, 2023, and 2022.

Management fees receivable amounted to P19,550,000 as at December 31, 2024 and 2023, and are unsecured, noninterest-bearing and collectible in cash upon demand. These receivables are presented as part of Receivables in the consolidated statements of financial position (see Note 10).

11.2 Lease of Properties

The Group has a lease agreement with a related party under common key management personnel, covering certain office spaces. Rent income recognized by the Group from this transaction amounted to P107,143, P53,571, and P1,021,864 in 2024, 2023 and 2022, respectively, and is included as part of Others under the Revenues section in the consolidated statements of comprehensive income. The outstanding receivable from this transaction amounts to P10,478,939 and P10,412,064 as at December 31, 2024 and 2023, respectively, and is included as part of Others under the Receivables account in the consolidated statements of financial position (see Note 10). The outstanding balance of receivable is unsecured, noninterest-bearing and collectible in cash upon demand.

11.3 Key Management Personnel Compensation

Short-term and post-employment benefits given by the Group to key management personnel are shown below.

(Amounts in PHP)	**2024**	2023	2022
Short-term benefits	**70,836,645**	40,939,553	32,131,222
Post-employment defined benefits	**3,278,570**	1,450,843	1,460,829
	74,115,215	42,390,396	33,592,051

The Group availed car loan as part of its fringe benefits to the key management personnel amounting to P1,438,400 and P2,900,000 in 2024 and 2023, respectively. There is no similar transaction in 2022. The outstanding balance of this loan as of 2024 and 2023 amounted to P2,514,879 and P2,369,560, respectively, and is included under the Interest-bearing Loans and Borrowings account in the consolidated statements of financial position (see Note 14). Both loans are payable within three years and is subject to annual effective interest rate of 9.33%.

11.4 Cost-Sharing and Sale of Acquisition of Equipment

The Group acquired transportation equipment through finance lease arrangements amounting to P1,449,999, P2,808,983, and P333,582 in 2024, 2023 and 2022, respectively. The capitalized cost of the acquired transportation equipment is only up to certain limit in accordance with the car executive plan policy of the Group.

In 2022, the Group sold certain transportation equipment to certain key management personnel with a carrying amount of P827,474 (see Note 12). The Group received cash settlement arising from this transaction equal to the carrying amount of the assets transferred; hence, no gain or loss recognized. No similar transactions occurred in 2024 and 2023.

11.5 Retirement Plan

The Group's plan assets are maintained and consolidated under a multi-employer retirement plan which is administered and managed under a trust agreement with a trustee bank. The fair value and the composition of the plan assets as at December 31, 2024 and 2023 are presented in Note 18.2.

11.6 Outstanding Trading Transactions

In the normal course of business, the Group's related parties, directors and key officers transact their securities investments through ASC. Any outstanding balances arising from these transactions are secured with their corresponding stock position, are noninterest-bearing and are normally settled within two days after trading date. Also, as agreed between the Parent Company and ASC's directors and key officers in an offsetting arrangement between the concerned parties, any amounts due from (to) the directors and key officers [which are included as part of Due from Customers (presented as part of Receivables and Due to Customers in the consolidated statements of financial position) arising from trading transactions, will be offset against the related amount of receivable from (payable to) the Parent Company (see Note 15).

11.7 Purchase of Property

In 2022, the Parent Company purchased parking spaces amounting to P2,400,000 from a related party under common ownership. These parking spaces were included as part of Property and Equipment in the consolidated statements of financial position (see Note 12). The acquisition cost was fully paid in 2022. No similar transactions occurred in 2024 and 2023.

12. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment, at the beginning and end of 2024 and 2023 are shown below.

(Amounts in PHP)	Condominium Units and Parking Space	Building Improvements	Transportation Equipment	Computer Equipment	Furniture, Fixtures and Equipment	Right-of-use Asset	Total
December 31, 2024							
Cost	116,835,714	27,891,979	22,853,417	29,728,488	10,610,453	2,086,868	210,006,919
Accumulated depreciation and amortization	(114,635,714)	(24,054,632)	(19,885,900)	(28,251,934)	(10,366,155)	(2,086,868)	(199,281,203)
Net carrying amount	**2,200,000**	**3,837,347**	**2,967,517**	**1,476,554**	**244,298**	**-**	**10,725,716**
December 31, 2023							
Cost	116,835,714	27,808,180	21,403,418	28,715,653	10,504,560	2,086,868	207,354,393
Accumulated depreciation and amortization	(114,539,714)	(23,302,957)	(19,058,271)	(27,127,782)	(10,266,127)	(1,926,340)	(196,221,191)
Net carrying amount	2,296,000	4,505,223	2,345,147	1,587,871	238,433	160,528	11,133,202
January 1, 2023							
Cost	116,835,714	23,906,781	18,594,435	27,669,035	10,369,408	2,086,868	199,462,241
Accumulated depreciation and amortization	(112,108,879)	(22,645,258)	(18,512,732)	(25,728,840)	(10,190,192)	(1,444,755)	(190,630,656)
Net carrying amount	4,726,835	1,261,523	81,703	1,940,195	179,216	642,113	8,831,585

A reconciliation of the carrying amounts at the beginning and end of 2024 and 2023 of property and equipment is shown below and in the succeeding page.

(Amounts in PHP)	Condominium Units and Parking Space	Building Improvements	Transportation Equipment	Computer Equipment	Furniture, Fixtures and Equipment	Right-of-use Asset	Total
Balance at January 1, 2024, net of accumulated depreciation and amortization	2,296,000	4,505,223	2,345,147	1,587,871	238,433	160,528	11,133,202
Additions	-	83,799	1,449,999	1,012,835	105,893	-	2,652,526
Depreciation and amortization charges for the year	(96,000)	(751,675)	(827,629)	(1,124,152)	(100,028)	(160,528)	(3,060,012)
Balance at December 31, 2024, net of accumulated depreciation and amortization	**2,200,000**	**3,837,347**	**2,967,517**	**1,476,554**	**244,298**	**-**	**10,725,716**

(Amounts in PHP)	Condominium Units and Parking Space	Building Improvements	Transportation Equipment	Computer Equipment	Furniture, Fixtures and Equipment	Right-of-use Asset	Total
Balance at January 1, 2023, net of accumulated depreciation and amortization	4,726,835	1,261,523	81,703	1,940,195	179,216	642,113	8,831,585
Additions	-	3,918,588	2,808,983	1,046,618	135,152	-	7,909,341
Depreciation and amortization charges for the year	(2,430,835)	(674,888)	(545,539)	(1,398,942)	(75,935)	(481,585)	(5,607,724)
Balance at December 31, 2023, net of accumulated depreciation and amortization	2,296,000	4,505,223	2,345,147	1,587,871	238,433	160,528	11,133,202
Balance at January 1, 2022, net of accumulated depreciation and amortization	5,117,816	2,095,268	2,844,783	2,008,777	294,718	1,123,699	13,485,061
Additions	2,400,000	-	333,582	1,096,670	24,755	-	3,855,007
Disposals	-	-	(827,474)	-	-	-	(827,474)
Depreciation and amortization charges for the year	(2,790,981)	(833,745)	(2,269,188)	(1,165,252)	(140,257)	(481,586)	(7,681,009)
Balance at December 31, 2022, net of accumulated depreciation and amortization	4,726,835	1,261,523	81,703	1,940,195	179,216	642,113	8,831,585

In 2022, certain items of transportation equipment with a total cost of P827,474 were sold to certain key management personnel of the Group (see Note 11.4). These items were transferred at their carrying amounts, thus, no gain or loss on disposal was recognized. No similar transaction occurred in 2024 and 2023.

As at December 31, 2024 and 2023, the total cost of the Group's fully depreciated items of property and equipment that are still being used in operations is P171,651,081 and P163,586,762, respectively.

The right-of-use asset relates to the lease of office space. The term of the lease is for five years ending on April 30, 2024, renewable for such period and under such terms and conditions as may be agreed upon with the lessor. The related lease liabilities are reflected in the consolidated statements of financial position as part of Accounts Payable and Other Liabilities account (see Note 16).

The lease imposes a restriction that the right-of-use asset can only be used by the Group. The lease is non-cancellable and does not contain an option to purchase the underlying lease asset outright at the end of the lease, or to extend the lease for a further term without mutual agreement on both parties. The Group is prohibited from selling or pledging the underlying leased assets as security. For lease over office space, the Group must also keep the property in a good state of repair and return the property in its original condition at the end of the lease. Further, the Group must incur maintenance fees on such items in accordance with the lease contract.

13. OTHER ASSETS

The breakdown of this account is as follows:

(Amounts in PHP)	Notes	**2024**	2023
Current:			
Prepayments		**6,466,118**	5,453,755
Non-current:			
Creditable withholding taxes	13.2	**144,873,894**	142,573,222
Goodwill	13.1	**84,584,951**	84,584,951
CTGF	13.7	**25,907,156**	24,962,438
Deferred oil exploration costs	13.4	**15,418,003**	15,418,003
Advances to suppliers		**8,136,564**	8,136,564
Trading right	13.5	**1,408,000**	1,408,000
Computer software - net	13.6	**256,570**	2,321,994
Others		**6,027,262**	3,413,569
		286,612,400	282,818,741
		293,078,518	288,272,496
Allowance for impairment of goodwill and deferred oil exploration costs		**(64,678,599)**	(64,678,599)
		228,399,919	223,593,897

13.1 Goodwill

The carrying amount of goodwill as at December 31, 2024 and 2023 is shown below.

(Amounts in PHP)	
Cost	84,584,951
Allowance for impairment	(49,260,596)
	35,324,355

Goodwill arose from ACIC's acquisition of a portion of ASC's equity, which pertains to the expected synergy from its stock brokerage business. ACIC's acquisition cost is higher than the fair value of the net assets acquired from ASC. It is subject to annual impairment testing and whenever there is an indication of impairment.

Some of the key assumptions that have been considered which have significant impact on the results of management's assessment are as follows:

- ASC, the identified cash generating unit (CGU) on which the goodwill is allocated, will continue as a going concern;
- ASC will have sufficient financial assets to finance its working capital requirements to achieve its projected forecast and to support the business needs; and,

- ASC's performance forecasts for the next three years, which include the effects of online trading facility that was launched in 2017.

Based on the assessment of the Group's management, no additional impairment loss is necessary in 2024, 2023 and 2022.

The value-in-use of the CGU was determined using performance forecasts for three years and extrapolating cash flows beyond the projection period using a steady terminal growth rate. The discount rates are the key assumptions used by management in determining the value-in-use of the CGU. In 2024 and 2023, the discount rate applied to cash flow projections is 5.90% and 6.05% respectively, while the average growth rate used is 6.5% and 1.4% in 2024 and 2023, respectively, based on forecasted operating profit. Management has also determined that a reasonably possible change in the key assumptions used would not cause the carrying value of the CGU to exceed their respective value-in-use.

13.2 Creditable Withholding Taxes

This account represents accumulated income tax credits of the Group that remained unapplied as at December 31, 2024 and 2023. These income tax credits will be applied against future income tax liabilities.

13.3 Investment Properties

The Group's investment properties consist mostly of condominium units located in Nasugbu and Batulao, Batangas which were acquired by the Group in February 2000. The condominium units were acquired as a result of the *dacion en pago* arrangement with a major customer as a partial settlement of outstanding loans (see Note 10.3). In 2024 and 2023, the Group's investment properties were not leased out to other parties.

Investment properties are stated at cost less accumulated depreciation and any impairment losses. As at December 31, 2024 and 2023, the cost of condominium units amounting to P180,098,359 has accumulated depreciation and impairment losses amounting to the same amount which resulted in nil book values of the assets as of the same reporting periods.

These properties are classified as Level 2 in fair value hierarchy. The Group determines the fair values of the investment properties by using the observable recent prices of the reference properties and were adjusted for differences in key attributes such as property size, zoning, and accessibility (see Note 5.6).

The Group has not incurred any cost related to its investment property during the reporting periods. No depreciation expense was recorded as the Group's investment properties are fully depreciated as at December 31, 2024 and 2023.

13.4 Deferred Oil Explorations Costs

Deferred oil exploration costs represent mainly of costs and related expenses incurred in connection with the Group's participation in the exploration of oil under GSEC-57. The Group believes that, while the result of the exploration of the first well indicated that the area covered by the first well may no longer be viable, the potential of the remaining areas is still untested and, thus, future prospects and leads remain valid. In this regard, the consortium applied for its third Non-Exclusive Geophysical Permit which was approved by the Department of Energy on October 31, 1995. The Group's management asserts that the project is still viable and no write-offs have been made by the project proponents. Nonetheless, a full allowance for possible non-recoverability of deferred exploration cost is provided.

13.5 Trading Right

As required under PSE rules, the Group's trading right (previously the Exchange Membership Seat) is pledged at its full value to 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 member's contracts.

As certified by the PSE, the last transacted price of an exchange right is P8,000,000 which was recorded on November 16, 2022 and which remains to be a reasonable approximation of the fair value of the exchange right based on management's assessment. Hence, based from the comparison of the trading right's carrying amount of P1,408,000 as at December 31, 2024 and 2023, and the expected recoverable amount, the trading right is not impaired.

13.6 Computer Software

Computer software pertains to the Group's online platform, MyTrade, which was launched in April 2017 and developed by a third party.

The movements in this account as at December 31 are as follows:

(Amounts in PHP)	**2024**	2023
Carrying amount at beginning of year	**2,321,994**	6,888,101
Amortization during the year	**(2,125,440)**	(4,566,107)
Additions	**60,016**	-
Carrying amount at end of year	**256,570**	2,321,994

The amortization is presented as part of Depreciation and Amortization account in the consolidated statements of comprehensive income. Total accumulated amortization as at December 31, 2024 and 2023 amounted to P22,551,846 and P20,426,406, respectively.

Also, as at December 31, 2024 and 2023, the Group has fully-amortized computer software with a gross carrying amount of P20,257,068 and P9,989,763, respectively, that is still being used in operations.

13.7 CTGF

CTGF pertains to contributions made by the Group to the Securities Clearing Corporation of the Philippines (SCCP) which shall be refundable to the Group upon cessation of business and/or termination of their membership with the SCCP.

On July 25, 2018, the SCCP issued Memo No. 01-0718 informing brokers of the amendments to SCCP Rule 5.2 and Operating Procedure 4.3.1.3, making the clearing members contributions to the CTGF refundable to clearing members upon cessation of their business and/or termination of their membership with SCCP provided that all liabilities of such clearing member owing to the SCCP at the time of termination, whether actual or contingent, shall have been satisfied or paid in full. These amendments took effect last August 1, 2018 and applicable to current and active PSE trading participants or clearing members of the SCCP. Accordingly, as of December 31, 2024 and 2023, the Group's total contribution to CTGF amounting to P25,907,156 and P24,962,438, respectively, is recognized as asset and presented as part of Other Assets in the consolidated statements of financial position.

14. INTEREST-BEARING LOANS AND BORROWINGS

As at December 31, this account consists of:

(Amounts in PHP)	**2024**	2023
Notes payable	**5,821,691,611**	5,733,888,438
Bank loans	**152,514,879**	152,369,560
	5,974,206,490	5,886,257,998

Notes payable represents short-term unsecured loans from various individual and corporate funders bearing annual interest at rates ranging from 4.50% to 8.50% in 2024 and 2023, and from 2.25% to 7.00% in 2022. Interest pertaining to these loans and borrowings, which is presented as part of the Interest Expense in the consolidated statements of comprehensive income, amounted to P398,173,243, P399,912,807, and P355,091,447 in 2024, 2023 and 2022, respectively, with related accrued interests of P38,555,399 and P29,538,109, as at December 31, 2024 and 2023, respectively, which are presented as part of Accounts payable and accrued expenses under the Accounts Payable and Other Liabilities account in the consolidated statements of financial position (see Note 16).

ASC made cumulative drawdowns from its existing credit lines from local commercial banks amounting to P200,000,000 in 2024 and P150,000,000 in 2023, gross of repayments, for working capital requirements (see Note 22.3). The outstanding balance of these loans as of December 31, 2024 and 2023 amounted to P150,000,000. The loans are payable within three months with rollover options and are subject to annual effective interest rates ranging from 6.88% to 8.50% in 2024 and 2023.

Interest expense pertaining to these loans amounted to P12,030,927, P11,102,570, and P7,541,840 in 2024, 2023 and 2022, respectively, and is included as part of Interest Expense in the consolidated statements of comprehensive income. There is no interest payable as at December 31, 2024 and 2023 related to these loans. There are no significant restrictive loan covenants or provisions related to these loans.

In 2024 and 2023, the Group availed a car loan as part of its fringe benefits to the key management personnel amounting to P1,438,400 and P2,900,000, respectively. There is no similar transaction in 2022 (See Note 11.3). The outstanding balance of this loan as of 2024 and 2023 amounted to P2,514,879 and P2,369,560, respectively. Both loans are payable within three years and is subject to annual effective interest rate of 9.33%.

Presented below is the reconciliation between the opening and closing balances of the Group's liabilities arising from these financing activities.

(Amounts in PHP)	**2024**	2023	2022
Balance at beginning of year	**5,886,257,998**	6,353,131,717	5,795,506,931
Cash flows from financing activities:			
Additional loan availments	**2,141,396,491**	1,885,028,699	2,272,306,332
Repayments of loans	**(2,053,447,999)**	(2,351,902,418)	(1,714,681,546)
Balance at end of year	**5,974,206,490**	5,886,257,998	6,353,131,717

15. DUE TO CUSTOMERS

Due to customers arise from the Group's securities brokerage activities. These are normally settled within two days after the respective trading dates and are all noninterest-bearing. Management considers the carrying amounts recognized in the consolidated statements of financial position to be the reasonable approximation of their fair values. Outstanding balance as at December 31, 2024 and 2023 amounted to P624,390,783 and P393,572,426, respectively.

16. ACCOUNTS PAYABLE AND OTHER LIABILITIES

This account consists of:

(Amounts in PHP)	Notes	**2024**	2023
Current:			
Accounts payable and accrued expenses	14	**47,726,152**	53,072,097
Due to non-customers		**20,813,335**	13,879,012
Withholding taxes payable		**19,086,301**	12,707,829
Lease liability	12	**-**	193,897
Others		**771,295**	393,946
		88,397,083	80,246,781
Non-current:			
Post-employment defined benefit obligation	18.2	**43,921,386**	46,634,285
Security deposits		**402,673**	2,436,826
		44,324,059	49,071,111
		132,721,142	129,317,892

Others include other payables to government agencies and miscellaneous liabilities arising from the Group's operations.

Lease liability relates to the lease of ASC's office space. The outstanding balance of the lease liability in relation to this lease amounted to P193,897 as of December 31, 2023 (nil in 2024). The total cash outflow with respect to these lease contracts amounted to P193,897, P550,506, and P497,410 in 2024, 2023, and 2022, respectively.

Interest expense pertaining to these leases amounted to nil, P41,316 and P85,018 in 2024, 2023, and 2022, respectively and is shown as part of Interest Expense in the consolidated statements of comprehensive income.

The undiscounted maturity analysis of the lease liability within one year as of December 31, 2023 amounted to P197,274. There is no similar transaction in 2024.

The Group has elected not to recognize a lease liability for short-term lease and lease of low value asset. Payments made under such leases are expensed as incurred. The expenses relating to these leases amounted to P370,787 in 2024 and P227,946 in 2023 and 2022, respectively, and is presented as part of Others under the Expenses section in the consolidated statements of comprehensive income (see Note 19).

17. EQUITY

17.1 Capital Stock and Treasury Shares

As at December 31, 2024 and 2023, these accounts consist of:

(Amounts in PHP)	**Shares**	**Amount**
Capital stock – P1 par value		
Authorized – 1,800,000,000 shares		
Issued shares	**1,193,200,000**	**1,193,200,000**
Treasury shares – at cost	**171,413,600**	**385,670,581**

Under the Revised Corporation Code of the Philippines, a stock corporation can purchase or acquire its own shares provided that it has unrestricted retained earnings to cover the shares to be purchased or acquired. Accordingly, the Retained Earnings is also restricted to the extent of the value of the treasury shares. These are presented as Treasury Shares in the consolidated statements of financial position and do not form part of the outstanding shares.

17.2 Revaluation Reserves

The components and reconciliation of items of other comprehensive income, which are presented in the consolidated statements of financial position at their aggregate amount under the Revaluation Reserves account, are shown below.

(Amounts in PHP)	Notes	**Financial Assets at FVOCI**	**Post-employment Benefit Obligation**	**Total**
Balance as at January 1, 2024		1,848,208,705	(10,281,630)	1,837,927,075
Remeasurements of post-employment defined benefit obligation	18.2(b)	-	9,244,027	9,244,027
Unrealized fair value gains on financial assets at FVOCI	9	590,907,287	-	590,907,287
Tax expense	20	-	(1,066,251)	(1,066,251)
Other comprehensive income		590,907,287	8,177,776	599,085,063
Balance as at December 31, 2024		**2,439,115,992**	**(2,103,854)**	**2,437,012,138**
Balance as at January 1, 2023		1,838,659,825	(10,513,741)	1,828,146,084
Remeasurements of post-employment defined benefit obligation	18.2(b)	-	421,825	421,825
Unrealized fair value gains on financial assets at FVOCI	9	9,548,880	-	9,548,880
Tax expense	20	-	(189,714)	(189,714)
Other comprehensive income		9,548,880	232,111	9,780,991
Balance as at December 31, 2023		1,848,208,705	(10,281,630)	1,837,927,075
Balance as at January 1, 2022		1,541,905,530	(8,406,812)	1,533,498,718
Remeasurements of post-employment defined benefit obligation	18.2(b)	-	(1,012,142)	(1,012,142)
Unrealized fair value gains on financial assets at FVOCI	9	296,754,295	-	296,754,295
Tax income	20	-	(1,094,787)	(1,094,787)
Other comprehensive income (loss)		296,754,295	(2,106,929)	294,647,366
Balance as at December 31, 2022		1,838,659,825	(10,513,741)	1,828,146,084

17.3 Capital Management Objectives, Policies and Procedures

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt.

A reasonable level of debt-to-equity is maintained to properly manage the Group's operations. Presented below is the 2024 and 2023 debt-to-equity ratio of the Group:

(Amounts in PHP)	**2024**	2023
Total liabilities	**6,731,318,415**	6,409,148,316
Total equity	**1,027,188,758**	607,944,543
Debt-to-equity ratio	**6.55 : 1.00**	10.54 : 1.00

17.4 Capital Requirements for ASC

17.4.1 Minimum Capital Requirement – SEC

On November 11, 2004, the SEC approved MC No. 16 which provides for the guidelines on the adoption in the Philippines of the Risk-Based Capital Adequacy (RBCA) Framework for all registered broker dealers in accordance with the SRC. These guidelines cover the following risks:

(a) position on market risk;
(b) credit risks such as counterparty, settlement, large exposure and margin financing risks; and,
(c) operational risks.

ASC monitors capital on the basis of RBCA ratio and Net Liquid Capital (NLC). RBCA requirement is the minimum level of capital that has to be maintained by firms which are licensed, or securing a broker dealer license, taking into consideration the firm size, complexity and business risk. RBCA ratio is the quotient of the NLC and the sum of the requirements for operation risk, credit risk and position or market risk. NLC, on the other hand, represents the equity eligible for NLC adjusted for non-allowable current and non-current assets as described under the circular.

In order to maintain or adjust the capital structure, the ASC may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Under the guidelines set out by the SEC, all registered brokers dealers should maintain the following RBCA and NLC requirements:

(a) RBCA ratio of greater than or equal to 1:1;

(b) NLC should be at least P5,000,000 or 5.00% of aggregate indebtedness, whichever is higher;

(c) a dealer who deals only with proprietary shares and does not keep shares in its custody shall maintain a net capital of P2,500,000 or 2.50% of aggregate indebtedness, whichever is higher;

(d) in cases where, in order to meet an RBCA ratio of at least 1.1, an NLC higher than P5,000,000 is required, the higher NLC shall be maintained; and,

(e) no broker dealer shall permit its aggregate indebtedness to exceed 2,000% of its NLC.

As of December 31, 2024 and 2023, ASC is in compliance with minimum capital requirement set out by the RBCA framework. ASC's RBCA ratio is 218% and 265% as of December 31, 2024 and 2023, respectively. ASC's NLC amounts to P291,046,302 and P273,669,319 as of December 31, 2024 and 2023, respectively, which is higher than 5% of the ASC's aggregate indebtedness and its aggregate indebtedness do not exceed 2,000% of its NLC.

17.4.2 Minimum Capital Requirement – Philippine Stock Exchange's Rules Governing Trading Rights and Trading Participants

On May 28, 2009, the SEC approved PSE's Rules Governing Trading Rights and Trading Participants, which provide among others, the following provisions:

(a) Trading participants should have a minimum unimpaired paid-up capital (defined as the trading participant's total paid up capital less any deficiency in the Deficit account) amounting to P20,000,000 effective December 31, 2009, provided further that effective December 31, 2010 and onwards, the minimum unimpaired paid up capital shall be P30,000,000; and,

(b) Each trading participant shall pledge its trading right to the extent of its full value to secure the payment of all of debts and claims due to the trading participant, the government, PSE and to other trading participants of the PSE and to the SCCP.

As at December 31, 2024 and 2023, ASC is in compliance with PSE's Rules Governing Trading Rights and Trading Participants.

17.4.3 Retained Earnings Appropriation

Rule 49.1 (B), Reserve Fund, of SEC MC No. 16 requires that every broker dealer shall annually appropriate a certain minimum percentage of its audited profit after tax and transfer the same to Appropriated Retained Earnings account. Appropriation shall be 30%, 20% and 10% of profit after tax for broker dealers with unimpaired paid-up capital of between P10,000,000 to P30,000,000; between P30,000,000 to P50,000,000; and above P50,000,000, respectively. In 2024, the Group appropriated P0.1 million to meet the circular requirement. There was no appropriation made 2023 and 2022 as the Group was in a loss before tax position in 2023 and 2022.

17.5 Capital Requirements for ACIC

Under the provisions of Section 8 of Republic Act (RA) No. 8366, *an Act Amending Presidential Decree No. 129*, otherwise known as the Investment Houses Law, ACIC is required to maintain a minimum paid-up capital of P300,000,000.

As at December 31, 2024 and 2023, ACIC is in compliance with minimum capital requirement set out by the RA No. 8366.

17.6 Track Record

On November 17, 1994, the SEC approved the listing of the Parent Company's shares totalling 1,193,200,000 (see Note 1.1). The shares were initially issued at an offer price of P1.00 per share. As at December 31, 2024 and 2023, there are 100 holders of the listed shares equivalent to 100% of the Group's total outstanding shares. The shares closed at P0.65 and P0.60 per share as at December 31, 2024 and 2023, respectively. The Group has no other securities traded in the capital markets.

18. SALARIES AND EMPLOYEE BENEFITS

18.1 Salaries and Employee Benefits

Details of salaries and employee benefits are presented below.

(Amounts in PHP)	Note	**2024**	2023	2022
Salaries and wages		**58,218,823**	58,615,835	55,088,567
Bonuses		**7,243,432**	6,483,225	7,834,542
Staff benefits		**4,197,657**	3,936,078	4,828,145
Retirement benefits	18.2	**3,644,214**	3,203,916	3,298,967
Social security costs		**3,029,437**	2,847,766	2,420,850
Other short-term benefits		**929,958**	740,970	862,333
		77,263,521	75,827,790	74,333,404

18.2 Post-Employment Defined Benefit

(a) Characteristics of the Defined Benefit Plan

The Group maintains a tax-qualified and non-contributory retirement plan that is being administered by a trustee bank covering all regular full-time employees. The plan is partially funded as at December 31, 2024 and 2023. Actuarial valuations are made each year to update the post-employment benefit costs and the amount of contributions. The latest actuarial valuation of the Group's retirement benefit plan was obtained for 2024 and 2023.

The normal retirement age is 60 with a minimum of five years of credited service. Normal retirement benefit is an amount equivalent to 100% of latest monthly salary for every year of credited service, and the manner of payment is lump sum.

(b) Explanation of Amounts Presented in the Consolidated Financial Statements

All amounts presented in the succeeding pages are based on the actuarial valuation report obtained from an independent actuary. The amounts of post-employment defined benefit obligation recognized and recorded as part of Accounts Payable and Other Liabilities(see Note 16) in the consolidated statements of financial position are determined as follows.

(Amounts in PHP)	**2024**	2023
Present value of the obligation	**82,683,523**	81,209,712
Fair value of plan assets	**(41,218,012)**	(36,295,151)
	41,465,511	44,914,561
Unrecognized asset due to asset ceiling	**2,455,875**	1,719,724
	43,921,386	46,634,285

The movements in present value of the post-employment defined benefit obligation recognized in the consolidated financial statements are as follows:

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**81,209,712**	75,358,961
Interest expense	**4,919,697**	5,123,673
Current service cost	**3,644,214**	3,203,916
Benefits paid	**(1,858,595)**	(1,608,883)
Remeasurements –		
Actuarial gains (losses) arising from:		
Experience adjustments	**(3,364,332)**	(1,673,731)
Changes in financial assumptions	**(1,867,173)**	805,776
Balance at end of year	**82,683,523**	81,209,712

Actuarial gains (losses) arising from the changes in financial assumptions pertain to the substantial increase (decrease) in discount rate (but partially offset by the decrease in expected salary increase rate). On the other hand, the experience adjustments pertain to the effects of differences between the previous actuarial assumptions and what has actually occurred, including the changes in those actuarial assumptions during the applicable reporting periods.

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

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**36,295,151**	35,775,406
Interest income	**2,135,966**	2,158,581
Benefits paid	**(1,858,595)**	(1,608,883)
Remeasurement gain (loss)	**4,645,490**	(29,953)
Balance at end of year	**41,218,012**	36,295,151

The Retirement Trust Fund assets are valued at fair value using the mark-to-market valuation; hence, any decline in fair value due to mark-to-market valuation is recognized as remeasurement loss. While there are no significant changes in asset allocation expected in the next financial year, the Retirement Plan Trustee may make changes any time. Allocation of plan assets is shown in the succeeding page.

(Amounts in PHP)	**2024**	2023
Government bonds	**19,203,472**	18,900,526
Unit investment trust funds (UITFs)	**19,323,004**	16,365,217
Other bonds	**2,646,196**	-
Cash and cash equivalents	**45,340**	1,029,408
	41,218,012	36,295,151

The fair value of the debt securities were determined based on quoted market prices in active markets (classified as Level 1 of the fair value hierarchy), while the fair value of the UITF is determined based on the net asset value per unit of investment held in the fund (classified as Level 2 of the fair value hierarchy).

The plan assets earned an income amounting to P6,781,456, P2,128,628 in 2024 and 2023, respectively and incurred a loss of P6,695,592 in 2022.

As at December 31, 2024 and 2023, the plan assets do not comprise any of the Group's own financial instruments and the fund does not own any shares of stock of the Group.

The components of amounts recognized in the consolidated statements of comprehensive income in respect of the post-employment defined benefit plan are as follows:

(Amounts in PHP)	**2024**	2023	2022
Reported in profit or loss:			
Current service cost	**3,644,214**	3,203,916	3,298,967
Net interest expense	**2,886,914**	3,048,879	2,424,613
	6,531,128	6,252,795	5,723,580
Reported in other comprehensive income:			
Remeasurement gain (loss) on plan assets	**4,645,490**	(29,953)	(8,860,230)
Actuarial gains (losses) arising from: arising from:			
Experience adjustments	**3,364,332**	1,673,731	5,370,648
Changes in financial assumptions	**1,867,173**	(805,776)	1,792,647
Changes in the effect of the asset ceiling	**(632,968)**	(416,177)	684,793
	9,244,027	421,825	(1,012,142)
Tax expense	**(1,066,251)**	(189,714)	(1,094,787)
	8,177,776	232,111	(2,106,929)

Current service cost is recorded as part of Salaries and Employee Benefits in the consolidated statements of comprehensive income.

Net interest expense is presented as part of Interest Expense account in the consolidated statements of comprehensive income.

Amount recognized in other comprehensive income is included and is presented as item that will not be reclassified subsequently to profit or loss.

In determining the retirement benefit obligation, the following actuarial assumptions were used:

	2024	2023	2022
Discount rates	**6.15%**	6.05%	6.49%
Expected salary increase rate	**5.00%**	5.00%	5.00%

Assumptions regarding future mortality are based on published statistics and mortality tables. The average remaining working lives of employees before retirement at the age of 60 is 12.1 years for both males and females in 2024 and 15.1 years for both males and females in 2023. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of zero coupon government bonds with terms to maturity approximating to the terms of the post-employment defined benefit obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) Risks Associated with the Retirement Plan

(i) Interest Rate Risk

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has relatively balanced investment in cash and cash equivalents, debt securities, and UITFs. Due to the long-term nature of the plan obligation, a level of continuing debt securities and UITF investments is an appropriate element of the Group's long-term strategy to manage the plan efficiently.

(ii) Longevity and Salary Risks

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

(iii) Sensitivity Analysis

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the post-employment defined benefit obligation as at December 31:

(Amounts in PHP)	**Impact on Post-employment Defined Benefit Obligation**		
	Change in Assumption	**Increase in Assumption**	**Decrease in Assumption**
2024			
Discount rate	**+/-1.0%**	**(759,230)**	**822,363**
Salary growth rate	**+/-1.0%**	**772,147**	**(823,869)**
2023			
Discount rate	+/-1.0%	(749,522)	805,201
Salary growth rate	+/-1.0%	805,873	(764,026)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the consolidated statements of financial position.

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

(iv) Asset-liability Matching Strategies

To efficiently manage the retirement plan, the Group ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve that long-term investments are in line with the obligations under the retirement scheme.

This strategy aims to match the plan assets to the retirement obligations by investing in long-term fixed interest securities (i.e., government bonds) with maturities that match the benefit payments as they fall due and in the appropriate currency. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the post-employment defined benefit obligation.

In view of this, investments are made in reasonably diversified portfolio, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of the plan assets as at December 31, 2024 and 2023 consists of debt securities and UITFs, although the Group also invests in cash and cash equivalents for liquidity purposes.

There has been no change in the Group's strategies in managing the related risks from the previous period.

(v) *Funding Arrangements and Expected Contributions*

The plan is currently underfunded by P43,921,386 based on the latest actuarial valuation. While there are no minimum funding requirement in the country, the size of the underfunding may pose a cash flow risk in about ten years' time when a significant number of employees is expected to retire. Management is yet to assess to the amount of contribution for the next reporting period.

The maturity profile of undiscounted expected benefit payments from the plan as at December 31, 2024 and 2023 for the next 10 years are as follows:

(Amounts in PHP)	**2024**	2023
More than one year to five years	**74,354,410**	76,993,928
Between five years to 10 years	**7,164,200**	6,557,382
	81,518,610	83,551,310

The weighted average duration of the post-employment defined benefit obligation at the end of the reporting period is 1.27 years.

19. OTHER EXPENSES

This account consists of:

(Amounts in PHP)	Note	**2024**	2023	2022
Philippine Depository and Trust Corp. clearing fees		**3,103,256**	3,667,415	3,375,794
Bank charges		**2,820,042**	2,334,084	593,236
Condominium dues		**1,899,202**	2,924,461	2,101,254
Office supplies		**1,606,445**	1,513,921	1,820,545
Insurance		**1,319,113**	1,296,287	1,506,857
Repairs and maintenance		**1,298,723**	1,071,758	1,901,437
Directors fee		**1,200,000**	1,200,000	1,200,000
Advertising and publicity		**299,107**	383,132	1,703,763
Listing fees		**250,000**	250,000	250,000
Fines and penalties		**-**	1,254,500	317,048
Deficiency taxes		**-**	103,186	1,032,309
Miscellaneous	16	**602,439**	403,258	397,344
		14,398,327	16,402,002	16,199,587

Miscellaneous includes office supplies, membership dues, rentals, and expenses for meetings and conferences.

20. TAXES

The components of tax expense (income) reported in the consolidated statements of comprehensive income are as follows:

(Amounts in PHP)	**2024**	2023	2022
Recognized in profit or loss			
Minimum corporate income tax (MCIT) at 2% in 2024, 1.5% in 2023, 1% in 2022	**2,000,552**	323,801	709,305
Final tax at 0.6%	**250,104**	236,796	984,444
Final tax at 20%	**8,793**	44,265	50,233
Regular corporate income tax (RCIT)	**-**	-	2,470,199
	2,259,449	604,862	4,214,181
Deferred tax expense (income) arising from:			
Origination and reversal of temporary differences	**6,939,450**	(15,422,835)	1,245,515
	9,198,899	(14,817,973)	5,459,696
Recognized in other comprehensive income			
Deferred tax expense arising from:			
Origination and reversal of temporary differences	**1,066,251**	189,714	1,094,787

The reconciliation of tax on pre-tax loss computed at the applicable statutory rate to tax expense (income) is as follows:

(Amounts in PHP)	**2024**	2023	2022
Tax on pre-tax profit loss at 25%	**(42,660,487)**	(128,113,360)	(69,239,050)
Adjustments for income subjected to:			
Final tax at 20%	**248,149**	(10,889)	602,134
Stock transaction tax at 0.6%	**(35)**	236,768	370,715
Tax effects of:			
Unrecognized net operating loss carry-over (NOLCO)	**105,961,953**	112,748,945	99,243,486
Non-taxable income	**(2,358)**	(4,019,336)	(19,595)
Unrecognized deferred tax asset on other temporary differences	**(71,188,979)**	(1,233,596)	(38,386,996)
Non-deductible expenses	**12,126,774**	5,249,694	12,179,697
Unrecognized impairment	**2,713,330**	-	-
Unrecognized MCIT	**2,000,552**	323,801	709,305
Tax expense (income)	**9,198,899**	(14,817,973)	5,459,696

The deferred tax assets recognized significantly relate to a profit-generating subsidiary and another subsidiary which is expected to generate taxable income in the next few years. The related management judgment on the realizability of such deferred tax assets is disclosed in Note 3.2(e).

The net deferred tax assets as at December 31, 2024 and 2023 relate to the following:

(Amounts in PHP)	**Consolidated Statement of Financial Position**	
	2024	2023
Deferred tax assets:		
NOLCO	**14,346,896**	14,346,896
Post-employment defined benefit obligation	**9,312,192**	9,166,760
Unamortized past service cost	**205,923**	356,015
Allowance for impairment	**-**	2,651,162
Lease liabilities	**-**	48,474
	23,865,011	26,569,307
Deferred tax liabilities:		
Fair value gain on investments At FVTPL	**(8,353,446)**	(3,011,908)
Right-of-use assets	**-**	(40,132)
	(8,353,446)	(3,052,040)
Net deferred tax assets	**15,511,565**	23,517,267

The deferred tax income (expense) which forms part of the tax expense (income) reported in the consolidated statements of comprehensive income are as follows:

(Amounts in PHP)	**Profit or Loss**		
	2024	2023	2022
Deferred tax assets:			
Allowance for impairment losses	**(2,651,162)**	(277,417)	811,913
Post-employment defined benefit obligation	**1,211,682**	1,167,758	957,488
Unamortized past service cost	**(150,090)**	(209,606)	(219,697)
Lease liability	**(48,475)**	(137,627)	(124,353)
NOLCO	**-**	14,346,896	-
	(1,638,045)	14,890,004	1,425,351
Deferred tax liabilities:			
Fair value gain on investment at FVTPL	**(5,341,537)**	412,434	(2,791,263)
Right-of-use assets	**40,132**	120,397	120,397
	(5,301,405)	532,831	(2,670,866)
Deferred tax income (expense) - net	**(6,939,450)**	15,422,835	(1,245,515)

(Amounts in PHP)	Other Comprehensive Income		
	2024	2023	2022
Deferred tax expense	**1,066,251**	189,714	1,094,787

Details of unrecognized deferred tax assets as at December 31 are summarized below.

(Amounts in PHP)	**2024**		2023	
	Amount	**Tax Effect**	Amount	Tax Effect
NOLCO	**1,822,375,856**	**455,593,964**	1,394,475,312	348,618,828
Allowance for impairment losses	**242,205,155**	**60,551,289**	242,205,155	60,551,289
Allowance for non-recoverability of deferred oil exploration costs	**15,418,003**	**3,854,501**	15,418,003	3,854,501
Post-employment defined benefit obligation	**12,282,355**	**3,070,589**	8,667,344	2,166,836
Past service cost	**5,320,901**	**1,330,224**	5,134,136	1,283,532
MCIT	**1,703,903**	**1,703,903**	1,320,308	1,320,308
Accrued short-term employee benefits	**581,750**	**145,438**	581,750	145,438
	2,099,887,923	**526,249,908**	1,667,802,008	417,940,732

Pursuant to Section 4(bbb) of RA No. 11494, *Bayanihan to Recover as One*, the NOLCO for taxable years 2020 and 2021 can be claimed as deduction within five consecutive taxable years immediately following the year of such loss.

The breakdown of NOLCO, which can be claimed as deductions from future taxable income within three or five years from the year the tax loss was incurred, is shown below.

(Amounts in PHP)

Year Incurred	**Parent**	**Subsidiaries**	**Balance**	**End of Availment**
2024	373,718,262	43,058,491	416,776,753	2027
2023	400,471,618	50,524,247	450,995,865	2026
2022	329,459,684	39,968,328	369,428,012	2025
2021	259,753,259	45,154,090	304,907,349	2026
2020	238,839,342	41,428,535	280,267,877	2025
	1,602,242,165	**220,133,691**	**1,822,375,856**	

In 2024 and 2023, the Group is subject to the MCIT, which is computed at 2% and 1.5%, respectively, of gross income net of allowable deductions, as defined under the tax regulations, or to RCIT, whichever is higher. MCIT which is available for offset against future income tax payable for income tax purposes is as follows:

(Amounts in PHP)

Year Incurred	Parent	Subsidiaries	Expired/ Applied Amount	Balance	End of Availment
2024	579,783	367,565	-	947,348	2027
2023	240,780	79,747	-	320,527	2026
2022	303,501	132,527	-	436,028	2025
2021	512,044	51,709	563,753	-	2024
	1,636,108	**631,548**	**563,753**	**1,703,903**	

In 2024, 2023 and 2022, each of the taxable entities within the Group claimed itemized deductions in computing for its income tax due.

21. LOSS PER SHARE

Loss per share is computed as follows:

(Amounts in PHP)	Note	**2024**	2023	2022
Net loss		**179,840,848**	497,635,467	282,415,898
Divided by the weighted average number of outstanding shares:				
Issued shares	17.1	**1,193,200,000**	1,193,200,000	1,193,200,000
Treasury shares	17.1	**(171,413,600)**	(171,413,600)	(171,413,600)
Outstanding shares		**1,021,786,400**	1,021,786,400	1,021,786,400
Loss per share		**0.1760**	0.4870	0.2764

As at December 31, 2024, 2023 and 2022, the Group has no outstanding potentially dilutive shares; hence, basic losses per share are equal to diluted loss per share in the years presented.

22. COMMITMENTS AND CONTINGENCIES

22.1 Legal Claims

The Group is either a defendant or plaintiff in lawsuits and legal actions arising from its various business activities. Management believes that the claims against the Group are either without merit or that the ultimate liability, if any, resulting from lawsuits and legal actions will not materially affect the Group’s consolidated financial statements.

22.2 Operating Leases

The Group is a lessor under non-cancellable operating leases covering its condominium units. The leases have a term of one to two years, with renewal options.

The future minimum rentals receivable under these non-cancellable operating leases within one year amounts to P43,331 as at December 31, 2024 and 2023. As of December 31, 2024 and 2023, there are no future minimum rentals receivable for periods more than one year.

Total rentals from these operating leases amounted to P107,143 in 2024, P53,571 in 2023 and P1,021,864 in 2022, and are presented as part of Others under the Revenues section of the consolidated statements of comprehensive income.

22.3 Credit Lines

As at December 31, 2024 and 2023, ASC has total credit line facilities of P320,000,000 and P520,000,000, respectively. The movements of ASC's available unused credit lines as at December 31, 2024 and 2023 are presented below (see Note 14).

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**520,000,000**	670,000,000
Loan drawdowns - net	**(200,000,000)**	(150,000,000)
Balance at end of year	**320,000,000**	520,000,000

22.4 Others

There are other commitments and contingent liabilities that arise in the normal course of the Group's operations, which are not reflected in the accompanying consolidated financial statements. As at December 31, 2024 and 2023, management is of the opinion that losses, if any, from these events and conditions will not have a material effect on the Group's consolidated financial statements.

23. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

Presented below and in the succeeding page is the maturity analysis of the Group's assets and liabilities.

(Amounts in PHP)	**Current**	**Non-current**	**Total**
December 31, 2024			
Cash	173,812,088	-	173,812,088
Receivables – net	2,153,671,386	187,688,362	2,341,359,748
Investments:			
At FVTPL	1,873,848,807	-	1,873,848,807
At FVOCI	-	3,114,849,330	3,114,849,330
Property and equipment – net	-	10,725,716	10,725,716
Deferred tax asset	-	15,511,565	15,511,565
Other assets – net	6,466,118	221,933,801	228,399,919
Total Assets	**4,207,798,399**	**3,550,708,774**	**7,758,507,173**

(Amounts in PHP)	**Current**	**Non-current**	**Total**
Interest-bearing loans and borrowings	5,973,315,325	891,165	5,974,206,490
Due to customers	624,390,783	-	624,390,783
Accrued expenses and other liabilities	88,397,083	44,324,059	132,721,142
Total Liabilities	**6,686,103,191**	**45,215,524**	**6,731,318,415**
December 31, 2023			
Cash	36,884,563	-	36,884,563
Receivables – net	2,367,441,956	202,937,031	2,570,378,987
Investments:			
At FVTPL	1,628,544,144	-	1,628,544,144
At FVOCI	-	2,523,040,799	2,523,040,799
Property and equipment – net	-	11,133,202	11,133,202
Deferred tax asset	-	23,517,267	23,517,267
Other assets – net	5,453,755	218,140,142	223,593,897
Total Assets	4,038,324,418	2,978,768,441	7,017,092,859
Interest-bearing loans and borrowings	5,886,257,998	-	5,886,257,998
Due to customers	393,572,426	-	393,572,426
Accrued expenses and other liabilities	80,246,785	49,071,107	129,317,892
Total Liabilities	6,360,077,209	49,071,107	6,409,148,316

Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Consolidated Financial Statements

Punongbayan & Araullo
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The Board of Directors and the Stockholders
First Abacus Financial Holdings Corporation and Subsidiaries
Unit 2904-A East Tower, Philippine Stock Exchange Centre
Exchange Road, Ortigas Center
Pasig City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of First Abacus Financial Holdings Corporation and Subsidiaries (the Group) as at and for the year ended December 31, 2024, on which we have rendered our report dated April 28, 2025. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of Revised Securities Regulation Code Rule 68, and is not a required part of the basic consolidated financial statements prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). Such supplementary information is the responsibility of the Group's management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

PUNONGBAYAN & ARAULLO

By: Yusoph A. Maute
Partner

CPA Reg. No. 0140306
TIN 415-417-641
PTR No. 10465908, January 2, 2025, Makati City
BIR AN 08-002551-046-2023 (until January 24, 2026)
BOA/PRC Cert. of Reg. No. 0002/P-018 (until August 12, 2027)

April 28, 2025

First Abacus Financial Holdings Corporation and Subsidiaries
List of SEC Supplementary Information
December 31, 2024

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule A - Financial Assets
December 31, 2024
(Amounts in Philippine Pesos)

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown in the statement of the financial position*	*Valued based on the market quotation at reporting period (per share)*	*Income received and accrued*
Financial Assets at Fair Value Through Profit or Loss				
8990 HOLDINGS, INC.	274	P 2,491	P 9.09	P -
A. BROWN COMPANY, INC	954	534	0.56	-
A. SORIANO CORPORATION "A"	202	2,763	13.68	-
ABACORE CAPITAL HOLDINGS, INC.	2,307	1,223	0.53	-
ABOITIZ EQUITY VENTURES, INC	355	12,194	34.35	-
ABOITIZ POWER CORPORATION	23,110	871,247	37.70	-
ABS-CBN CORPORATION	952	3,998	4.20	-
ABS-CBN HOLDING CORP. - PDR	672,071	2,553,870	3.80	-
ACEN CORPORATION	196,070	784,280	4.00	-
ACESITE (PHILIPPINES) HOTEL CO	710	1,264	1.78	-
AGRINURTURE, INC.	414	211	0.51	-
ALLDAY MARTS, INC.	2,557	340	0.13	-
ALLHOME CORPORATION	600	384	0.64	-
ALLIANCE GLOBAL GROUP, INC.	156,385	1,407,465	9.00	-
ALLIANCE SELECT FOODS INTERNAT	5,529	2,101	0.38	-
ALSONS CONSOLIDATED RESOURCES	944	434	0.46	-
ALTUS PROPERTY VENTURES, INC.	148	1,231	8.32	-
Balance forwarded		**P 5,646,030**		

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown in the statement of the financial position*	*Valued based on the market quotation at reporting period (per share)*	*Income received and accrued*
Balance carried forward		**P 5,646,030**		
ANCHOR LAND HOLDINGS, INC.	50	240	P 4.80	P -
ANGLO-PHIL HOLDINGS	8,637	3,887	0.45	-
APC GROUP, INC.	6,090	1,127	0.19	-
APEX MINING COMPANY, INC. "A"	56	193	3.45	-
APOLLO GLOBAL CAPITAL, INC.	100,488	402	0.00	-
ARANETA PROPERTIES, INC.	461	235	0.51	-
AREIT, INC.	80	3,036	37.95	-
ARTHA LAND CORPORATION	16,437	6,000	0.37	-
ASIA UNITED BANK CORPORATION	372	22,878	61.50	-
ASIAN TERMINAL, INC.	85	1,445	17.00	-
ATLAS CONS MNG & DEVT CORP	2,739	11,997	4.38	-
ATN HOLDINGS, INC.	7,311	3,802	0.52	-
ATOK BIG WEDGE MINING CO INC A	558	3,036	5.44	-
AXELUM RESOURCES CORPORATION	300	777	2.59	-
AYALA CORPORATION "A"	842	504,358	599.00	-
AYALA LAND, INC.	88,250	2,312,150	26.20	-
AYALALAND LOGISTICS HOLDINGS C	626,989	1,065,881	1.70	-
BANK OF THE PHILIPPINE ISLANDS	64,527	7,872,294	122.00	-
BASIC ENERGY CORPORATION	8,401	1,176	0.14	-
BDO UNIBANK, INC.	3,220	463,680	144.00	-
Balance forwarded		**P 17,924,624**		

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown in the statement of the financial position*	*Valued based on the market quotation at reporting period (per share)*	*Income received and accrued*
Balance carried forward		**P 17,924,624**		
BELLE CORPORATION	1,524,679	2,530,967	P 1.66	P -
BENGUET CORP.-Convtible Pref A	9	147	16.30	-
BENGUET CORPORATION "A"	1,050	4,169	3.97	-
BENGUET CORPORATION "B"	2,611	10,287	3.94	-
BERJAYA PHILIPPINES INC.	23,581,991	231,103,512	9.80	-
BERJAYA PHILIPPINES, INC.	159,896,635	1,566,987,023	9.80	-
BLOOMBERRY RESORTS CORPORATION	190,662	873,232	4.58	-
BOULEVARD HOLDINGS, INC.	47	4	0.07	-
BRIGHT KINDLE RESOURCES & INVE	1,351	1,338	0.99	-
CEBU AIR, INC.	58	1,639	28.25	-
CEBU AIR, INC. CONVERTIBLE PRE	176,778	6,098,841	34.50	-
CEBU LANDMASTERS, INC.	706	1,871	2.65	-
CEMEX HOLDINGS PHILIPPINES, IN	877	1,561	1.78	-
CENTRAL AZUCARERA DE TARLAC	4,020	45,024	11.20	-
CENTRO ESCOLAR UNIVERSITY	67	925	13.80	-
CENTURY PACIFIC FOOD, INC.	13	545	41.95	-
CENTURY PEAK HOLDINGS CORPORAT	682	1,705	2.50	-
CENTURY PROPERTIES GROUP INC.	11,381	4,780	0.42	-
CHELSEA LOGISTICS AND INFRASTR	3,458	4,530	1.31	-
CHINA BANKING CORPORATION	250	15,875	63.50	-
Balance forwarded		**P 1,825,612,599**		

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds or notes	Amount shown in the statement of the financial position	Valued based on the market quotation at reporting period (per share)	Income received and accrued
Balance carried forward		**P 1,825,612,599**		
CIRTEK HOLDINGS PHILIPPINES CO	1,170,382	1,544,904	P 1.32	P -
CITY & LAND DEVELOPERS, INC.	1,017	692	0.68	-
CITYLAND DEVELOPMENT CORP "A"	862	586	0.68	-
CITYSTATE SAVINGS BANK, INC.	140	1,753	12.52	-
COAL ASIA HOLDINGS INCORPORATE	7,280	1,121	0.15	-
COL FINANCIAL GROUP, INC.	562	927	1.65	-
CONCEPCION INDUSTRIAL CORPORAT	80	1,070	13.38	-
CONCRETE AGGREGATES CORP "A"	163	6,544	40.15	-
CONCRETE AGGREGATES CORP "B"	30	1,629	54.30	-
CONVERGE INFORMATION AND COMMU	10	161	16.14	-
COSCO CAPITAL, INC.	578	3,110	5.38	-
CROWN EQUITIES, INC.	10,191	571	0.06	-
D&L INDUSTRIES, INC.	520,083	3,167,305	6.09	-
D.M. WENSLAO & ASSOCIATES, INC	500	2,760	5.52	-
DEL MONTE PACIFIC LIMITED	379	1,478	3.90	-
DFNN, INC.	1,206	3,437	2.85	-
DIGIPLUS INTERACTIVE CORP	1,253	34,019	27.15	-
DISCOVERY WORLD CORPORATION	700	784	1.12	-
DITO CME HOLDINGS CORPORATION	140,084	229,738	1.64	-
DIZON COPPER SILVER MINES, INC	1,234	2,505	2.03	-
DMCI HOLDINGS, INC.	1,830	19,801	10.82	-
DOMINION HOLDINGS, INC.	280,230	448,368	1.60	-
Balance forwarded		**P 1,831,085,862**		

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown in the statement of the financial position*	*Valued based on the market quotation at reporting period (per share)*	*Income received and accrued*
Balance carried forward		**P 1,831,085,862**		
DOUBLEDRAGON CORPORATION	4,914	50,123	P 10.20	P -
EAST COAST VULCAN MINING CORPO	772	239	0.31	-
EASYCALL COMM PHILS INC COMMON	107	236	2.21	-
EEI CORPORATION	11,369	40,928	3.60	-
EMPERADOR INC.	67,601	1,220,874	18.06	-
EMPIRE EAST LAND HOLDINGS, INC	1,003,483	120,418	0.12	-
ENEX ENERGY CORPORATION	4,401	22,005	5.00	-
EVER-GOTESCO RES. & HOLDINGS	9,393	2,395	0.26	-
F&J PRINCE HOLDINGS CORP.	847	2,118	2.50	-
FAR EASTERN UNIVERSITY, INC	84	61,740	735.00	-
FIGARO COFFEE GROUP, INC.	684	588	0.86	-
FILINVEST DEVELOPMENT CORP.	1,022	5,049	4.94	-
FILINVEST LAND, INC.	3,591,496	2,621,792	0.73	-
FILINVEST REIT CORPORATION	2,396	7,068	2.95	-
FILIPINO FUND, INC.	1,499	8,799	5.87	-
FIRST GEN CORPORATION	918	14,798	16.12	-
FIRST METRO PHILIPPINE EQUITY	9	950	105.60	-
FIRST PHIL HOLDINGS CORP "A"	1,959	115,581	59.00	-
FORUM PACIFIC, INC.	5,505	1,354	0.25	-
FRUITAS HOLDINGS, INC.	222	142	0.64	-
GEOGRACE RESOURCES,PHILS.,INC.	5,161	454	0.09	-
Balance forwarded		**P 1,835,383,513**		

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds or notes	Amount shown in the statement of the financial position	Valued based on the market quotation at reporting period (per share)	Income received and accrued
Balance carried forward		**P 1,835,383,513**		
GINEBRA SAN MIGUEL, INC.	393	108,075	P 275.00	P -
GLOBAL FERRONICKEL HOLDINGS, I	231	240	1.04	-
GLOBAL-ESTATE RESORTS, INC.	1,195	765	0.64	-
GLOBE TELECOM INC, "A"	1,802	3,935,568	2,184.00	-
GMA HOLDINGS, INC.	307	1,922	6.26	-
GMA NETWORK, INC.	45	275	6.11	-
GRAND PLAZA HOTEL CORP(COMMON)	93	550	5.91	-
GREENERGY HOLDINGS INCORPORATE	8,722	1,657	0.19	-
GT CAPITAL HOLDINGS, INC.	22	14,476	658.00	-
HARBOR STAR SHIPPING SERVICES,	500	310	0.62	-
HAUS TALK, INC.	487	511	1.05	-
HOUSE OF INVESTMENTS, INC	17	57	3.38	-
IMPERIAL RESOURCES, INC "A"	490	309	0.63	-
INTEGRATED MICRO-ELECTRONICS,	3,297	4,913	1.49	-
INT'L CONTAINER TERMINAL SERV	20,754	8,011,044	386.00	-
IONICS,INC.	756	635	0.84	-
IPEOPLE, INC.	312	2,119	6.79	-
IPM HOLDINGS, INC.	866	2,598	3.00	-
I-REMIT, INC.	1,890	440	0.23	-
ITALPINAS DEVELOPMENT CORPORAT	374	486	1.30	-
Balance forwarded		**P 1,847,470,463**		

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds or notes	Amount shown in the statement of the financial position	Valued based on the market quotation at reporting period (per share)	Income received and accrued
Balance carried forward		**P 1,847,470,463**		
JACKSTONES, INC.	600	660	P 1.10	P -
JG SUMMIT HOLDINGS, INC.	111,111	2,283,331	20.55	-
JOLLIBEE FOODS CORPORATION	15,401	4,142,869	269.00	-
LBC EXPRESS HOLDINGS, INC.	565	6,678	11.82	-
LEPANTO CONSOLIDATED MNG CO A	3,344,196	224,061	0.07	-
LEPANTO CONSOLIDATED MNG CO B	4,280,832	286,816	0.07	-
LFM PROPERTIES CORPORATION	7,076	325	0.05	-
LIBERTY FLOUR MILLS, INC.	801	14,354	17.92	-
LMG CORPORATION	46,450	8,826	0.19	-
LOPEZ HOLDINGS CORPORATION	162,250	438,075	2.70	-
LORENZO SHIPPING CORPORATION	207	178	0.86	-
LT GROUP, INC.	41	431	10.50	-
MABUHAY HOLDINGS CORPORATION	500	81	0.16	-
MABUHAY VINYL CORPORATION	93	501	5.39	-
MACAY HOLDINGS, INC.	222	1,669	7.52	-
Macro Asia Corp.(Cobertson)	6,100	33,184	5.44	-
MAKATI FINANCE CORPORATION	410	816	1.99	-
MANILA ELECTRIC COMPANY "A"	2,708	1,321,504	488.00	-
MANILA MINING CORPORATION "A"	276,716	830	0.00	-
MANILA MINING CORPORATION "B"	2,426,526	7,280	0.00	-
MANILA WATER COMPANY, INC.	67	1,809	27.00	-
Balance forwarded		**P 1,856,244,741**		

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown in the statement of the financial position*	*Valued based on the market quotation at reporting period (per share)*	*Income received and accrued*
Balance carried forward		**P 1,856,244,741**		
MARCVENTURES HOLDINGS, INC.	7,932	5,949	P 0.75	P -
MAX'S GROUP, INC.	1,285	3,431	2.67	-
MEDCO HOLDINGS, INC.	584,990	70,199	0.12	-
MEGAWIDE CONSTRUCTION CORPORAT	753	1,830	2.43	-
MEGAWORLD CORPORATION	1,314,688	2,695,110	2.05	-
MERRYMART CONSUMER CORPORATION	400	240	0.60	-
METRO ALL. HOLD.&EQUITIES CORP	1,312	1,089	0.83	-
METRO ALL.HOLD.& EQUITIES CORP	1,541	1,048	0.68	-
METRO RETAIL STORES GROUP, INC	251	301	1.20	-
METROPOLITAN BANK & TRUST CO	22,194	1,597,968	72.00	-
MILLENNIUM GLOBAL HOLDINGS, IN	3,695	347	0.09	-
MONDE NISSIN CORPORATION	95	817	8.60	-
MRC ALLIED, INC.	1,921,127	1,613,747	0.84	-
MREIT, INC.	121	1,614	13.34	-
NATIONAL REINSURANCE CORP.	9,433	6,509	0.69	-
NICKEL ASIA CORPORATION	6,435	22,458	3.49	-
NIHAO MIN. RES. INT'L INC.	241,753	93,075	0.39	-
NOW CORPORATION	473	279	0.59	-
Balance forwarded		**P 1,862,360,752**		

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown in the statement of the financial position*	*Valued based on the market quotation at reporting period (per share)*	*Income received and accrued*
Balance carried forward		**P 1,862,360,752**		
OMICO CORPORATION	42,127	5,603	P 0.13	P -
ORIENTAL PENINSULA RES.GRP.INC	456	201	0.44	-
ORIENTAL PET & MINERAL CORP A	190,584	1,410	0.01	-
ORIENTAL PET & MINERAL CORP B	413,304	3,100	0.01	-
PACIFIC ONLINE SYSTEM CORP.	248	657	2.65	-
PACIFICA HOLDINGS INC.	249	398	1.60	-
PAL HOLDINGS, INC.	240	1,188	4.95	-
PANASONIC MFG. PHILS., CORP.	871	4,773	5.48	-
PETROENERGY RESOURCES CORP.	943	3,253	3.45	-
PETRON CORPORATION	675	1,640	2.43	-
PH RESORTS GROUP HOLDINGS, INC	8	4	0.54	-
PHIL BANK OF COMMUNICATIONS A	274	4,269	15.58	-
PHIL. REALTY & HOLDINGS CORP.	17,262	2,071	0.12	-
PHILEX MINING CORPORATION	424,906	1,185,488	2.79	-
PHILIPPINE BUSINESS BANK	176	1,707	9.70	-
PHILIPPINE ESTATES CORPORATION	1,688	430	0.26	-
PHILIPPINE INFRADEV HOLDINGS,	896	269	0.30	-
PHILIPPINE NATIONAL BANK	7,415	205,396	27.70	-
PHILIPPINE RACING CLUB, INC.	699	4,893	7.00	-
PHILIPPINE SAVINGS BANK	51	2,968	58.20	-
PHILIPPINE SEVEN CORPORATION	124	8,407	67.80	
Balance forwarded		**P 1,863,798,877**		

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds or notes	Amount shown in the statement of the financial position	Valued based on the market quotation at reporting period (per share)	Income received and accrued
Balance carried forward		**P 1,863,798,877**		
PHILIPPINE TRUST COMPANY	2	238	P 119.00	P -
PHILWEB CORPORATION	1,380	1,932	1.40	-
PHINMA CORPORATION	4,564	86,716	19.00	-
PLDT INC.	87	112,665	1,295.00	-
PREMIERE HORIZON ALLIANCE CORP	3,712	646	0.17	-
PRIME MEDIA HOLDINGS, INC.	727	1,549	2.13	-
PRYCE PROPERTIES CORPORATION	1,631	17,419	10.68	-
PTFC REDEVELOPMENT CORPORATION	26	1,430	55.00	-
PUREGOLD PRICE CLUB, INC.	2,479	76,477	30.85	-
PXP ENERGY CORPORATION	100,148	287,425	2.87	-
REPUBLIC GLASS HLDNGS CORP "A"	22	61	2.75	-
RFM CORPORATION	287	1,111	3.87	-
RIZAL COMM'L BANKING CORP "A"	24	572	23.85	-
RL COMMERCIAL REIT, INC.	521	3,048	5.85	-
ROBINSONS LAND CORPORATION	108,195	1,438,994	13.30	-
ROBINSONS RETAIL HOLDINGS, INC	1,191	42,876	36.00	-
ROCKWELL LAND CORPORATION	787	1,188	1.51	-
ROXAS AND COMPANY, INC.	499,677	1,359,121	2.72	-
ROXAS HOLDINGS, INC.	10,982	-	-	-
SAN MIGUEL CORPORATION "A"	3,320	285,520	86.00	-
Balance forwarded		**P 1,867,517,865**		

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown in the statement of the financial position*	*Valued based on the market quotation at reporting period (per share)*	*Income received and accrued*
Balance carried forward		**P 1,867,517,865**		
SBS PHILIPPINES CORPORATION	902	4,465	P 4.95	P -
SEAFRONT RESOURCES CORP. "A'	1,751	2,644	1.51	-
SECURITY BANK CORPORATION	66	5,742	87.00	-
SEMIRARA MINING AND POWER CORP	985	34,377	34.90	-
SHAKEY'S PIZZA ASIA VENTURES,	147	1,175	7.99	-
SHANGRILA PROPERTIES, INC.	1,648	6,493	3.94	-
SHELL PILIPINAS CORPORATION	453	3,398	7.50	-
SM INVESTMENTS CORPORATION	9	8,091	899.00	-
SM PRIME HOLDINGS, INC	89,875	2,260,356	25.15	-
SOC RESOURCES, INC.	1,527	281	0.18	-
SOLID GROUP, INC.	275	283	1.03	-
SP NEW ENERGY CORPORATION	689,288	703,074	1.02	-
SPC POWER CORPORATION	180	1,622	9.01	-
SSI GROUP, INC.	5,128	16,307	3.18	-
STA. LUCIA LAND, INC.	64	186	2.90	-
STENIEL MANUFACTURING CORP	10,685	16,775	1.57	-
STI EDUCATION SYSTEMS HOLDINGS	920	1,233	1.34	-
SUN LIFE FIN. SERV. OF CANADA	2	6,056	3,028.00	-
SUNTRUST RESORT HOLDINGS, INC.	909	818	0.90	-
SUPERCITY REALTY DEV'T. CORP.	64,000	76,800	1.20	-
SWIFT FOODS, INC	1,244	72	0.06	-
SWIFT FOODS, INC. CONVERTIBLE	15,209	26,464	1.74	-
SYNERGY GRID & DEVELOPMENT PHI	557	5,459	9.80	-
Balance forwarded		**P 1,870,700,036**		

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown in the statement of the financial position*	*Valued based on the market quotation at reporting period (per share)*	*Income received and accrued*
Balance carried forward		**P 1,870,700,036**		
THE KEEPERS HOLDINGS, INC.	270	602	P 2.23	P -
THE PHILODRILL CORPORATION "A"	706,955	5,302	0.01	-
TKC METALS CORPORATION	650	189	0.29	-
TOP FRONTIER INVESTMENT HOLDIN	289	18,236	63.10	-
TRANSPACIFIC BROD. GROUP INT'L	5,447	735	0.14	-
UNION BANK OF THE PHILIPPINES	133	4,788	36.00	-
UNITED PARAGON MINING CORP.	687,476	1,925	0.00	-
UNIVERSAL ROBINA CORPORATION	8,185	646,615	79.00	-
UPSON INTERNATIONAL CORP.	14,000	9,520	0.68	-
VANTAGE EQUITIES, INC.	802	561	0.70	-
VICTORIAS MILLING COMPANY, INC	2,874	5,748	2.00	-
VISTA LAND & LIFESCAPES, INC	12,480	18,470	1.48	-
VISTAMALLS, INC.	522	767	1.47	-
VITARICH CORPORATION	10,096	5,452	0.54	-
VIVANT CORPORATION	59	1,063	18.02	-
WATERFRONT PHILIPPINES, INC	12,533	4,700	0.38	-
WELLEX INDUSTRIES, INC.	5,086	1,073	0.21	-
WILCON DEPOT, INC.	169,063	2,417,601	14.30	-
XURPAS INC.	28,700	5,223	0.18	-
ZUES HOLDINGS, INC.	2,794	201	0.07	-
Balance forwarded		**P 1,873,848,807**		

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule A - Financial Assets
December 31, 2024
(Amounts in Philippine Pesos)

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown on the statement of the financial position*	*Valued based on the market quotation at reporting date (per share)*	*Income received and accrued*
Financial Assets at Fair Value Through Other Comprehensive Income				
BERJAYA PHILIPPINES INC.	315,545,850	P 3,092,349,330	P 10	P -
CEBU COUNTRY CLUB	1	18,000,000	18,000,000	-
MIMOSA GOLF	1	2,600,000	2,600,000	-
VALLE VERDE (CORP)	2	1,900,000	950,000	-
		P 3,114,849,330		

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
December 31, 2024
(Amounts in Philippine Pesos)

Company	*Name*	*Kind of Loan*	*Balance at Beginning of Period*	*Additions*	*Amounts Collected*	*Amounts Written Off*	*Current*	*Non-Current*	*Balance at End of Period*
ASC	Cometa, Roel	Educational	P (1,696)	P 95,639	P 59,467	P -	P 34,476	P -	P 34,476
ASC	Dela Cruz, Abigail	Educational	79,861	170,000	142,921	-	106,940	-	106,940
ASC	Delos Santos, Mari Fritz	Educational	6,120	-	6,120	-	-	-	-
ASC	Delos Santos, Marie Anne	Educational	(2,945)	-	(2,945)	-	-	-	-
ASC	Del Rosario, Earl Ian	Educational	28,498	-	28,498	-	-	-	-
ASC	Hernando, Rejeinalle	Educational	11,804	-	11,804	-	-	-	-
ASC	Jaca, Christian Robin	Educational	-	100,000	37,032	-	-	-	62,968
ASC	Marcelo, Cristina	Educational	-	74,133	44,724	-	-	-	29,409
ASC	Norega, Ermen	Educational	35,425	52,500	50,115	-	37,810	-	37,810
ASC	Patricio, Jhonrey	Educational	-	30,000	9,347	-	-	-	20,653
ASC	Rabe, Jennylen	Educational	14,132	35,000	35,466	-	13,666	-	13,666
ASC	Ramos, Nole	Educational	-	40,000	16,473	-	-	-	23,527
ASC	Sapon, Michelle	Educational	27,377	135,000	98,436	-	63,941	-	63,941
ASC	Villar, Dennis	Educational	16,536	400,000	196,430	-	220,106	-	220,106
ASC	Agapay, Grace	Emergency	183,264	200,000	135,082	-	248,182	-	248,182
ASC	Batuglao, Danisalyn	Emergency	-	40,000	6,447	-	-	-	33,553
ASC	Casimsiman, Joel	Emergency	59,993	70,000	73,661	-	56,332	-	56,332
ASC	Dela Cruz, Abigail	Educational	-	385,000	48,511	-	-	-	336,489
ASC	Espiritu Santo, Lynneth	Emergency	-	200,000	21,695	-	-	-	178,305
ASC	Hispano, Cadiz	Emergency	-	200,000	30,373	-	-	-	169,627
ASC	Norega, Ermen	Emergency	47,381	105,000	86,547	-	65,834	-	65,834
ASC	Patricio, Jhonrey	Emergency	-	39,896	18,086	-	-	-	21,810
ASC	Pono, Araceli	Emergency	16,184	-	16,184	-	-	-	-
ASC	Ramos, Nole	Emergency	26,631	30,000	46,770	-	9,861	-	9,861
ASC	Quintana, Rizza	Emergency	26,410	-	26,410	-	-	-	-
ASC	Sapon, Michelle	Emergency	41,232	295,575	137,423	-	199,384	-	199,384
ASC	Soreta, Raymond	Emergency	30,019	-	20,126	-	9,893	-	9,893
ASC	Franco, Raymond Neil	Housing	1,201,490	-	240,000	-	961,490	-	961,490
ASC	Jaca, Christian Robin	Car	168,616	-	168,616	-	-	-	-
FAF	Patana, Archimedes	Educational	7,466	-	7,466	-	-	-	-
FAF	Santos, Marilou	Educational	57,143	500,000	222,767	-	334,376	-	334,376
FAF	Santos, Marilou	Emergency	-	230,000	62,673	-	-	-	167,327
FAF	Santos, Marilou	Housing	910,884	-	123,407	-	787,478	-	787,477
ACIC	Mogol, Ma. Julieta	Educational	120,798	70,000	164,560	-	26,238	-	26,238
ACIC	Ramos, Christine	Educational	-	190,150	91,631	-	-	-	98,519
			P 3,112,623	**P 3,687,893**	**P 2,482,323**	**P -**	**P 3,176,007**	**P -**	**P 4,318,193**

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule C - Accounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
December 31, 2024
(Amounts in Philippine Pesos)

Name of Related Party	*Balance at Beginning of Period*	*Additions*	*Deductions*		*Ending Balance*		*Balance at End of Period*
			Amounts Collected	*Amounts Written Off*	*Current*	*Non-current*	
Abacus Securities Corporation	P -	P -	P -	P -	P -	P -	P -
Abacus Capital & Investment Corporation	110,553,446	10,001,204	428,291	-	120,126,359	-	120,126,359
Vista Holdings Corporation	307,340,033	191,182,906	249,196,582	-	249,326,357	-	249,326,357
				-			
	P 417,893,479	**P 201,184,110**	**P 249,624,873**	**P -**	**P 369,452,716**	**P -**	**P 369,452,716**

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule D - Long Term Debt
December 31, 2024
(Amounts in Philippine Pesos)

Title of Issue and Type of Obligation	*Amount Authorized by Indenture*	*Amount Shown Under Caption "Current Portion of Long-term Debt" in Related Statement of Financial Position*	*Amount Shown Under Caption "Long-term Debt" in Related Statement of Financial Position*
Notes Payable	P 5,821,691,611	P 5,821,691,611	P -
Bank Loans	152,514,879	152,514,879	-
	P 5,974,206,490	**P 5,974,206,490**	**P -**

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule E - Indebtedness to Related Parties (Long-Term Loans from Related Companies)
December 31, 2024
(Amounts in Philippine Pesos)

Name of related party	*Balance at beginning of period*	*Balance at end of period*

Not applicable

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule F - Guarantees of Securities of Other Issuers
December 31, 2024
(Amounts in Philippine Pesos)

Name of issuing entity of securities guaranteed by the company for which this statement is filed	*Title of issue of each class of securities guaranteed*	*Total amount guaranteed and outstanding*	*Amount owned by person for which statement is filed*	*Nature of guarantee*

Not applicable

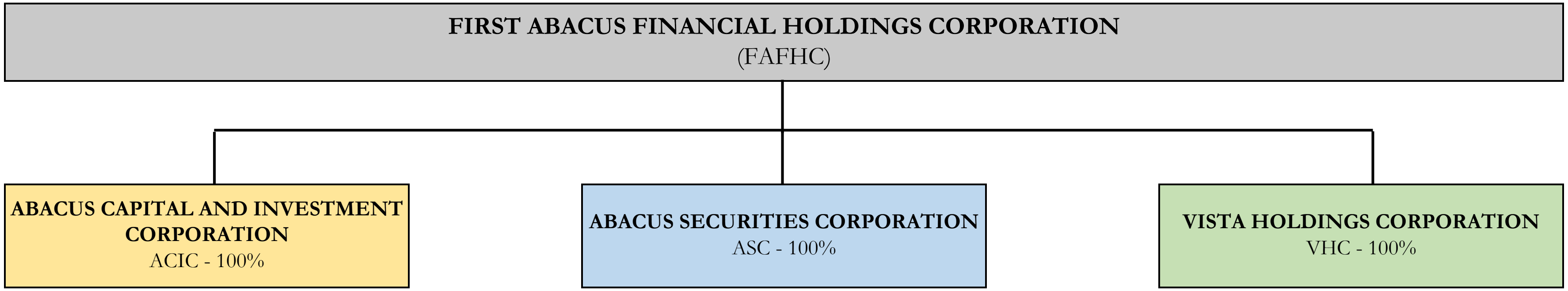
FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule G - Capital Stock
December 31, 2024
(Amounts in Philippine Pesos)

Title of Issue	*Number of Shares authorized*	*Number of shares issued and outstanding as shown under the related statement of financial position caption*	*Number of shares reserved for options, warrants, conversion and other rights*	*Number of Shares held by:*		
				Related parties	*Directors, officers and employees*	*Others*
Common shares - P1 par value						
Authorized - P1,800,000,000	1,800,000,000					
1,193,200,000 shares issued	1,193,200,000	1,193,200,000	-	76,286,000	143,010,000	973,904,000
Treasury shares		(171,413,600)	-	-	-	-
		1,021,786,400	**-**	**76,286,000**	**143,010,000**	**973,904,000**

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION
Unit 2904-A East Tower, Philippine Stock Exchange Centre
Exchange Road, Ortigas Center, Pasig City
Reconciliation of Retained Earnings Available for Dividend Declaration
December 31, 2024

Unappropriated Retained Earnings at Beginning of Year		(P 2,641,852,105)
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earning Appropriation/s	P -	
Effect of restatements or prior-period adjustments	-	
Others	-	-
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	-	
Retained Earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments	-	
Others	-	-
Unappropriated Retained Earnings at Beginning of Year, as adjusted		(2,641,852,105)
Add/Less: Net Income (Loss) for the Current Year		(391,553,834)
Less: Category C.1: 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	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of investment property	-	
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	-	
Sub-total		-
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	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at FVTPL	-	
Realized fair value gain of investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	
Sub-total		-
Add: Category C.3: Unrealized income recognized in profit or loss in prior 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 adjustment (mark-to-market gains) of financial instrument at 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	-	
Sub-total		-
Adjusted Net Income/Loss		(391,553,834)
Add: Category D: Non-actual lossess recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	
Sub-total		-
Add/ Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others	-	
Sub-total		-
Add/ Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends 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	-	
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	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others	-	
Sub-total		-
Unappropriated Retained Earnings Available for Dividend Distribution at End of Year		**(P 3,033,405,939)**

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Map Showing the Relationships Between the Parent Company and Its Subsidiaries
December 31, 2024



Report of Independent Auditors on Components of Financial Soundness Indicators

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

The Board of Directors and the Stockholders
First Abacus Financial Holdings Corporation and Subsidiaries
Unit 2904-A East Tower, Philippine Stock Exchange Centre
Exchange Road, Ortigas Center
Pasig City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of First Abacus Financial Holdings Corporation and subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, on which we have rendered our report dated April 28, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplemental Schedule of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS Accounting Standards) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

PUNONGBAYAN & ARAULLO

By: **Yusoph A. Maute**
Partner

CPA Reg. No. 0140306
TIN 415-417-641
PTR No. 10465908, January 2, 2025, Makati City
BIR AN 08-002551-046-2023 (until January 24, 2026)
BOA/PRC Cert. of Reg. No. 0002/P-018 (until August 12, 2027)

April 28, 2025

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Financial Soundness Indicators
December 31, 2024 and December 31, 2023

Ratio	Formula	2024	Formula	2023
Current Ratio	Total Current Assets divided by Total Current Liabilitites Total Current Assets 4,207,798,399 Divide by: Total Current Liabilities 6,686,994,356 Current Ratio 0.63	0.63	Total Current Assets divided by Total Current Liabilitites Total Current Assets 4,038,324,418 Divide by: Total Current Liabilities 6,358,638,973 Current Ratio 0.64	0.64
Acid Test Ratio	Quick Assets (Total Current Assets less inventories and other current assets) divided by Total Current Liabilities Total Current Assets 4,207,798,399 Less: Other Current Assets (6,466,118) Quick Assets 4,201,332,281 Divide by: Total Current Liabilities 6,686,994,356 Acid Test Ratio 0.63	0.63	Quick Assets (Total Current Assets less inventories and other current assets) divided by Total Current Liabilities Total Current Assets 4,038,324,418 Less: Other Current Assets (5,453,755) Quick Assets 4,032,870,663 Divide by: Total Current Liabilities 6,358,638,973 Acid Test Ratio 0.63	0.63
Solvency Ratio	Total Liabilities divided by Total Assets Total Liabilities 6,731,318,415 Divide by: Total Assets 7,758,507,173 Solvency Ratio 0.87	0.87	Total Liabilities divided by Total Assets Total Liabilities 6,409,148,316 Divide by: Total Assets 7,017,092,859 Solvency Ratio 0.91	0.91
Debt-to-equity Ratio	Total Liabilities divided by Total Equity Total Liabilities 6,731,318,415 Divide by: Total Equity 1,027,188,758 Debt-to-equity Ratio 6.55	6.55	Total Liabilities divided by Total Equity Total Liabilities 6,409,148,316 Divide by: Total Equity 607,944,543 Debt-to-equity Ratio 10.54	10.54
Assets-to-equity Ratio	Total Assets divided by Total Equity Total Assets 7,758,507,173 Divide by: Total Equity 1,027,188,758 Assets-to-equity Ratio 7.55	7.55	Total Assets divided by Total Equity Total Assets 7,017,092,859 Divide by: Total Equity 607,944,543 Assets-to-equity Ratio 11.54	11.54
Return on equity	Net Loss divided by Total Equity Net Loss (179,840,848) Divide by: Total Equity 1,027,188,758 Return on equity (0.18)	(0.18)	Net Loss divided by Total Equity Net Loss (497,635,467) Divide by: Total Equity 607,944,543 Return on equity (0.82)	(0.82)
Return on assets	Net Loss divided by Total Assets Net Loss (179,840,848) Divide by: Total Assets 7,758,507,173 Return on assets (0.02)	(0.02)	Net Loss divided by Total Assets Net Loss (497,635,467) Divide by: Total Assets 7,017,092,859 Return on assets (0.07)	(0.07)
Net Profit Margin	Net Loss divided by Total Revenue Net Loss (179,840,848) Divide by: Total Revenue 463,820,454 Net Profit Margin (0.39)	(0.39)	Net Loss divided by Total Revenue Net Loss (497,635,467) Divide by: Total Revenue 120,896,718 Net Profit Margin (4.12)	(4.12)

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION AND SUBSIDIARIES
Supplementary Schedule of External Auditor Fee-Related Information
For the Years Ended December 31, 2024 and 2023

	2024		2023	
Total Audit Fees	**P**	**3,400,000**	P	3,300,000
Non-audit service fees:				
Other assurance service		-		-
Tax service		-		-
All other service		-		-
Total Non-Audit Fees		-		-
Total Audit and Non-audit Fees	**P**	**3,400,000**	P	3,300,000

First Abacus Financial Holdings Corp.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **First Abacus Financial Holdings Corporation** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the year ended **December 31, 2024**, 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 **First Abacus Financial Holdings Corporation'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 **First Abacus Financial Holdings Corporation** or to cease operations, or has no realistic alternative to do so.

The Board of Directors is respónsible for overseeing the **First Abacus Financial Holdings Corporation'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 stockholder.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of the **First Abacus Financial Holdings Corporation** in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

PAULINO S. SOO
Chairman and Chief Executive Officer

Soo

JIMMY S. SOO
Treasurer

APR 29 2025 QUEZON CITY

SUBSCRIBED AND SWORN to before me this ____________ at ____________, affiants Paulino S. Soo and Jimmy S. Soo exhibiting to me their TIN: 107-047-406 and 133-832-627, respectively.

APR 29 2025

Signed this ______ day of ________.

ATTY. CONCEPCION P. VILLAREÑA
Notary Public for Quezon City
Until December 31, 2025
PTR No. 6989624 / January 2, 2025 Q.C
IBP No. 461667 / October 29, 2024 Q.C
Roll No.30457 / 05-09-1980
MCLE VII-0006994 / 09-21-2021
ADM. MATTER No. NP-021 (2024-2025)
TIN No. 131-942-754

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Page No. 61;
Book No. 45;
Series of 2025

UNIT 2904-A EAST TOWER, PHILIPPINE STOCK EXCHANGE CENTRE • EXCHANGE ROAD • ORTIGAS CENTER • PASIG CITY
PHONE: (632) 667-8900 • FAX: (632) 634-0435

P&A Grant Thornton

FOR SEC FILING

Financial Statements and Independent Auditors' Report

First Abacus Financial Holdings Corporation

December 31, 2024, 2023 and 2022

P&A Grant Thornton

Report of Independent Auditors

Punongbayan & Araullo
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The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

The Board of Directors and the Stockholders
First Abacus Financial Holdings Corporation
Unit 2904-A East Tower, Philippine Stock Exchange Centre
Exchange Road, Ortigas Center
Pasig City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of First Abacus Financial Holdings Corporation (the Company), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity (capital deficiency) and statements of cash flows for each of the three years in the period ended December 31, 2024, and the notes to financial statements, including material accounting policy information.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company has a deficit of P3,033.4 million and P2,641.9 million as at December 31, 2024 and 2023, respectively, because of its recurring net loss from operations. As stated in Note 1 to the financial statements, this condition indicates the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. However, the Company remains confident that its longstanding presence and established reputation in the market will support the continuity and sustainability of its operations. Further, the management considers a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing before it can satisfy itself that the going concern basis is appropriate as stated in Note 3 to the financial statements. In connection with our audits, we have performed sufficient audit procedures to evaluate the reasonableness of management's assumptions on the ability of the Company to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

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

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

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

Management is responsible for the preparation and fair presentation of 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 PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, 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 PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audits resulting in this independent auditors' report is Yusoph A. Maute.

PUNONGBAYAN & ARAULLO

By: Yusoph A. Maute
Partner

CPA Reg. No. 0140306
TIN 415-417-641
PTR No. 10465908, January 2, 2025, Makati City
BIR AN 08-002551-046-2023 (until January 24, 2026)
BOA/PRC Cert. of Reg. No. 0002/P-018 (until August 12, 2027)

April 28, 2025

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2024	2023
A S S E T S			
CASH	7	**P 3,726,342**	P 6,818,100
RECEIVABLES - Net	10	**1,751,296,902**	2,031,432,676
DUE FROM SUBSIDIARIES	11	**369,452,716**	417,893,479
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	8	**120,828**	61,930,552
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	9	**2,854,787,918**	2,312,507,675
INVESTMENTS IN SUBSIDIARIES - Net	12	**683,586,365**	683,586,365
PROPERTY AND EQUIPMENT - Net	14	**2,200,000**	2,296,000
OTHER ASSETS - Net	15	**92,137,805**	86,689,229
TOTAL ASSETS		**P 5,757,308,876**	P 5,603,154,076
LIABILITIES AND EQUITY (CAPITAL DEFICIENCY)			
INTEREST-BEARING LOANS AND BORROWINGS	16	**P 5,203,303,130**	P 5,133,166,582
DUE TO A SUBSIDIARY	11	**466,301,778**	547,539,996
OTHER LIABILITIES	17	**51,347,764**	42,191,242
Total Liabilities		**5,720,952,672**	5,722,897,820
CAPITAL STOCK	18	**1,193,200,000**	1,193,200,000
ADDITIONAL PAID-IN CAPITAL		**5,127,200**	5,127,200
REVALUATION RESERVES	18	**1,871,434,943**	1,323,781,161
DEFICIT	1	**(3,033,405,939)**	(2,641,852,105)
Net Equity (Capital Deficiency)		**36,356,204**	(119,743,744)
TOTAL LIABILITIES AND EQUITY (CAPITAL DEFICIENCY)		**P 5,757,308,876**	P 5,603,154,076

See Notes to Financial Statements.

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Notes	2024	2023	2022
REVENUES				
Interest income	7, 11, 19	**P 25,156,551**	P 13,408,639	P 28,240,724
Dividend income	8, 12	**-**	100,113,238	10,500
Others	8, 13	**3,853,893**	4,135,656	2,557,411
		29,010,444	117,657,533	30,808,635
EXPENSES				
Interest expense	11, 16, 19	**363,296,171**	371,904,319	315,147,379
Taxes and licenses	13	**19,021,300**	19,225,734	20,220,942
Loss on sale of financial assets at fair value through profit or loss (FVTPL)	8	**11,745,859**	13,591,091	13,764,988
Salaries and employee benefits	19	**10,285,744**	10,455,661	9,377,601
Professional and management fees		**3,289,000**	2,467,700	3,255,841
Depreciation	14	**96,000**	96,000	22,721
Representation and entertainment		**29,281**	5,044	-
Others	20	**12,220,240**	11,919,597	13,201,120
		419,983,595	429,665,146	374,990,592
LOSS BEFORE TAX		**(390,973,151)**	(312,007,613)	(344,181,957)
TAX EXPENSE	21	**(580,683)**	(243,028)	(305,531)
NET LOSS		**(391,553,834)**	(312,250,641)	(344,487,488)
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit (loss)				
Fair value gains on financial assets at fair value through other comprehensive income	9	**541,378,999**	9,020,082	272,329,550
Remeasurements of post-employment defined benefit plan	19	**6,274,783**	(268,173)	(5,391,288)
Total Other Comprehensive Income		**547,653,782**	8,751,909	266,938,262
TOTAL COMPREHENSIVE INCOME (LOSS)		**P 156,099,948**	(P 303,498,732)	(P 77,549,226)
Loss Per Share (Basic and Diluted)		**(P 0.3282)**	(P 0.2617)	(P 0.2887)

See Notes to Financial Statements.

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION
STATEMENTS OF CHANGES IN EQUITY (CAPITAL DEFICIENCY)
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

	Capital Stock (see Note 18)	Additional Paid-in Capital	Revaluation Reserves (see Note 18)	Deficit (see Note 1)	Total Equity (Capital Deficiency)
Balance at January 1, 2024	P 1,193,200,000	P 5,127,200	P 1,323,781,161	(P 2,641,852,105)	(P 119,743,744)
Total comprehensive income (loss) for the year	-	-	547,653,782	(391,553,834)	156,099,948
Balance at December 31, 2024	**P 1,193,200,000**	**P 5,127,200**	**P 1,871,434,943**	**(P 3,033,405,939)**	**P 36,356,204**
Balance at January 1, 2023	P 1,193,200,000	P 5,127,200	P 1,315,029,252	(P 2,329,601,464)	P 183,754,988
Total comprehensive income (loss) for the year	-	-	8,751,909	(312,250,641)	(303,498,732)
Balance at December 31, 2023	P 1,193,200,000	P 5,127,200	P 1,323,781,161	(P 2,641,852,105)	(P 119,743,744)
Balance at January 1, 2022	P 1,193,200,000	P 5,127,200	P 1,048,090,990	(P 1,985,113,976)	P 261,304,214
Total comprehensive income (loss) for the year	-	-	266,938,262	(344,487,488)	(77,549,226)
Balance at December 31, 2022	P 1,193,200,000	P 5,127,200	P 1,315,029,252	(P 2,329,601,464)	P 183,754,988

See Notes to Financial Statements.

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Notes	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax		**(P 390,973,151)**	(P 312,007,613)	(P 344,181,957)
Adjustments for:				
Interest expense	16, 19	**363,296,171**	371,904,319	315,147,379
Interest income	7, 11, 19	**(25,156,551)**	(13,408,639)	(28,240,724)
Loss on sale of financial assets at fair value through profit or loss (FVTPL)	8	**11,745,859**	13,591,091	13,764,988
Depreciation	14	**96,000**	96,000	22,721
Unrealized loss (gain) on financial assets at FVTPL	8	**55,939**	(1,352,970)	1,902,776
Dividend income	8, 12	**-**	(100,113,238)	(10,500)
Operating loss before working capital changes		**(40,935,733)**	(41,291,050)	(41,595,317)
Decrease (increase) in receivables		**280,135,774**	910,639,495	(662,605,468)
Decrease (increase) in other assets		**246,424**	(159,382)	(445,361)
Increase (decrease) in other liabilities		**827,981**	(186,214,583)	12,017,300
Cash generated from (used in) operations		**240,274,446**	682,974,480	(692,628,846)
Interest received		**4,692**	11,680	12,273,735
Cash paid for final tax	21	**(900)**	(2,248)	(2,030)
Dividend received		**-**	100,113,238	10,500
Net Cash From (Used in) Operating Activities		**240,278,238**	783,097,150	(680,346,641)
CASH FLOWS FROM INVESTING ACTIVITIES				
Collections of advances to subsidiaries	11	**249,624,873**	127,784,958	144,154,613
Funds provided to subsidiaries	11	**(201,184,110)**	(342,917,996)	(94,493,982)
Proceeds from disposals of financial assets at FVTPL	8	**75,842,853**	326,806,105	177,910,671
Acquisitions of financial assets at FVTPL	8	**(25,834,927)**	(363,012,304)	(221,251,890)
Interest received		**25,151,859**	13,372,740	27,916,522
Acquisitions of financial assets at fair value through other comprehensive income (FVOCI)	9	**(901,244)**	(1,193,721)	(5,670,152)
Acquisition of property and equipment	14	**-**	-	(2,400,000)
Proceeds from disposal of financial assets at FVOCI	9	**-**	-	300
Net Cash From (Used in) Investing Activities		**122,699,304**	(239,160,218)	26,166,082
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayments of due to a subsidiary	11, 24	**(1,777,914,997)**	(2,410,269,208)	(808,512,542)
Proceeds from availment of loans	24	**1,715,061,347**	1,563,321,134	1,627,330,689
Advances obtained from a subsidiary	11, 24	**1,696,676,779**	2,544,045,831	1,206,771,719
Repayments of loans	24	**(1,644,924,799)**	(1,922,131,105)	(1,060,422,016)
Interest paid		**(354,967,630)**	(313,647,341)	(313,647,341)
Net Cash From (Used in) Financing Activities		**(366,069,300)**	(538,680,689)	651,520,509
NET INCREASE (DECREASE) IN CASH		**(3,091,758)**	5,256,243	(2,660,050)
CASH AT BEGINNING OF YEAR		**6,818,100**	1,561,857	4,221,907
CASH AT END OF YEAR		**P 3,726,342**	P 6,818,100	P 1,561,857

See Notes to Financial Statements.

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023, AND 2022
(Amounts in Philippine Pesos)

1. CORPORATE MATTERS

1.1 Corporate Information

First Abacus Financial Holdings Corporation (the Company) was incorporated in the Philippines and wholly owns the following subsidiaries, all of which were also incorporated in the Philippines:

Subsidiaries	Nature of Business
Abacus Capital & Investment Corporation (ACIC)	Investment banking
Abacus Securities Corporation (ASC)	Securities brokerage
Vista Holdings Corporation (VHC)	Leasing

The Company was registered with the Philippine Securities and Exchange Commission (SEC) on January 1, 1994, primarily to invest in, acquire by purchase, exchange or assignment and hold for investment, shares of capital stock or other securities issued by any corporation, association or other entities. The Company is also involved in providing management advisory services as well as purchasing, selling and assigning accounts receivable, negotiable instruments and other evidences of indebtedness for the payment of money owed by any entity. The Company had the initial public offering of its shares of stock in the Philippine Stock Exchange (PSE) on November 17, 1994 (see Note 18.4).

The Company's registered office, which is also its principal place of business, is located at Unit 2904-A East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City.

1.2 Status of Operations

The Company has a deficit of P3,033,405,939 and P2,641,852,105 as at December 31, 2024 and 2023, respectively. This condition indicates the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. However, the Company remains confident that its longstanding presence and established reputation in the market will support the continuity and sustainability of its operations.

One of its subsidiaries, ASC, has made significant progress in the online stock brokerage space, positioning this segment as a key driver for future growth and expansion. The ASC's online trading platform, Mytrade, is distinguished by its high-quality customer support and advanced market research capabilities. To ensure an optimal user experience, Mytrade undergoes regular upgrades, incorporating new features such as simplified account opening processes, real-time news updates, daily research insights, and improved chat functionality, all designed to enhance user engagement and platform usability.

The Company's ability to interact effectively with clients through both traditional and digital channels, coupled with a renewed emphasis on cross-unit synergy, is expected to strengthen its market position and restore its status as a leading industry performer.

Furthermore, the Company is strategically leveraging the complementary strengths of its investment house and affiliated units to deliver a comprehensive suite of financial, investment, and brokerage services. The integrated efforts of its subsidiaries particularly the full-service and online brokerage arms provide robust distribution capabilities that support the Company's investment banking activities, including mergers and acquisitions. This holistic and synergistic approach enhances the Company's capacity to revitalize operations, address existing financial challenges, and move towards sustained recovery and recover from deficit.

Moreover, should the need arise for the Company to pay off maturing obligations, the Company has sufficient equity securities held at fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL) that can easily be disposed of.

Accordingly, the financial statements have been prepared assuming that the Company will continue as a going concern which contemplates the realization of assets and the settlement of liabilities in the normal course of business.

1.3 Approval of the Financial Statements

The financial statements of the Company as of and for the year ended December 31, 2024 (including the comparative financial statements as of December 31, 2023 and for the years ended December 31, 2023 and 2022) were authorized for issue by the Company's Chairman of the Board of Directors (BOD) and Chief Executive Officer on April 28, 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Financial Statements

The financial statements are prepared in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Company presents all items of income, expense and other comprehensive income and losses in a single statement of comprehensive income.

The Company presents a third statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

(c) *Functional and Presentation Currency*

These financial statements are presented in Philippine pesos (PHP), the Company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the Company are measured using its functional and presentation currency. Functional currency is the currency of the primary economic environment in which the Company operates.

2.2 Adoption of Amended PFRS Accounting Standards

(a) *Effective in 2024 that are Relevant to the Company*

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

PAS 1 (Amendments)	:	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
PAS 7 and PFRS 7 (Amendments)	:	Statement of Cash Flow, and Financial Instruments: Disclosures – Supplier Finance Arrangements
PFRS 16 (Amendments)	:	Leases – Lease Liability in a Sale and Leaseback

Discussed below and in the succeeding page are the relevant information about these pronouncements.

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

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

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

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

(b) Effective Subsequent to 2024 but not Adopted Early

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

(i) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)

(ii) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)

(iii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of comprehensive income (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The amendments, however, do not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.

(iv) PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

2.3 Separate Financial Statements and Investments in Subsidiaries and Associates

These financial statements are the separate financial statements of the Company. The Company also prepares consolidated financial statements being the ultimate parent company and a publicly-listed entity.

The Company's investments in subsidiaries are accounted for in these separate financial statements at cost, less any impairment loss.

2.4 Financial Instruments

(a) Financial Assets

Classification and Measurement of Financial Assets

The Company's financial assets include financial assets at amortized cost, at FVOCI and at FVTPL.

Financial Assets at Amortized Cost

The Company's financial assets at amortized cost are presented in the statement of financial position as Cash, Receivables and Due from Subsidiaries.

Financial Assets at FVOCI

At initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Company for trading or as mandatorily required to be classified at FVTPL. The Company has designated equity instruments and golf club shares as financial assets at FVOCI on initial recognition.

Financial Assets at FVTPL

Equity securities are classified as financial assets at FVTPL, unless the Company designates an equity investment that is not held for trading as at FVOCI at initial recognition. The Company's financial assets at FVTPL include equity securities which are held for trading purposes.

Impairment of Financial Assets

The Company recognizes allowance for expected credit loss (ECL) on its financial assets measured at amortized cost. The ECL on these assets are estimated by applying the simplified approach using a provision matrix developed based on the Company's historical credit loss experience and credit information that are specific to the debtors, adjusted for general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. These assets are assessed for impairment on a collective basis based on shared credit risk characteristics.

On the other hand, the Company applies a general approach in relation to Due from subsidiaries. The maximum period over which ECL should be measured is the longest contractual period where an entity is exposed to credit risk. Management determines possible impairment based on the sufficiency of the related parties' highly liquid assets in order to repay the Company's receivables if demanded at the reporting date taking into consideration the historical defaults of the related parties. If the recovery strategies indicate that the outstanding balance of advances to related parties can be collected, the ECL is limited to the effect of discounting the amount due over the period until cash is realized.

(b) Financial Liabilities

Financial liabilities include interest-bearing loans and borrowings, due to a subsidiary, and other liabilities (except for tax-related liabilities).

2.5 Property and Equipment

Property and equipment are carried at cost less accumulated depreciation, amortization and impairment in value. Depreciation is computed using the straight-line method over its estimated useful lives of 25 years.

2.7 Impairment of Non-financial Assets

The Company's property and equipment, investment properties, deferred oil exploration costs, and other non-financial assets are subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.8 Revenue and Expense Recognition

Revenue comprises revenue from rendering of management services measured by reference to the fair value of consideration received or receivable by the Company for services rendered, excluding value-added tax (VAT).

The Company enters into transactions involving the rendering of management services. There are no significant judgments involved in determining the transaction price, the allocated amounts to and timing of satisfaction of performance obligations since there is only one transaction price specific to one performance obligation that is satisfied over time. The transaction price for a performance obligation that is satisfied over time is recognized as revenue as the performance obligation is satisfied. Customers are invoiced periodically as work progresses, which are also due upon receipt by the customers. Any unbilled amounts at the end of a reporting period are presented in the statement of financial position as Management fee receivables under the Receivables account as only the passage of time is required before payment of these amounts will be due.

2.9 Employee Benefits

The Company provides post-employment benefits to employees through a defined benefit plan and defined contribution plan, and other employee benefits.

The Company's defined benefit post-employment plan covers all regular full-time employees. The pension plan is tax-qualified, non-contributory and administered by a trustee.

The defined benefit obligation is calculated periodically by an independent actuary using the projected unit credit method.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

3.1 Critical Management Judgment in Applying Accounting Policies

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

(a) Application of ECL Model to Financial Assets at Amortized Cost

(i) Receivables

The Company uses a provision matrix to calculate ECL for receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., enhancements such as collaterals).

The provision matrix is based on the Company's historical observed default rates. The Company's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions).

(ii) Due from Subsidiaries

In the case of due from subsidiaries, which are repayable on demand, the contractual period is the very short period needed to transfer the cash once demanded. Management determines possible impairment based on the sufficiency of the subsidiaries' highly liquid assets in order to repay the Company's receivables if demanded at the reporting date taking into consideration the historical defaults of the related parties. If the Company cannot immediately collect its receivables, management considers the expected manner of recovery to measure ECL. If the recovery strategies indicate that the outstanding balance of receivables can be collected, the ECL is limited to the effect of discounting the amount due over the period until cash is realized. Details about the ECL on the Company's receivables and due from subsidiaries are disclosed in Note 4.2.

(b) Evaluation of Business Model Applied in Managing Financial Instruments

The Company manages its financial assets based on business models that maintain adequate level of financial assets to match its expected cash outflows.

The Company developed business models which reflect how it manages its portfolio of financial instruments. The Company's business models need not be assessed at entity level or as a whole but shall be applied at the level of a portfolio of financial instruments and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of individual financial instrument).

In determining the classification of a financial instrument, the Company evaluates in which business model a financial instrument or a portfolio of financial instruments belong to taking into consideration the objectives of each business model established by the Company (e.g., held-for-trading, generating accrual income, direct matching to a specific liability) as those relate to the Company's investment and trading strategies.

(c) Testing the Cash Flow Characteristics of Financial Assets and Continuing Evaluation of the Business Model

In determining the classification of financial assets, the Company assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principals and interest (SPPI) on the principal outstanding, with interest representing time value of money and credit risk associated with the principal amount outstanding. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents time value of money and credit risk) does not meet the amortized cost criteria. In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as modified time value of money, the Company assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion.

The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of money element was not modified (the benchmark cash flows). If the resulting difference is significant, the SPPI criterion is not met. In view of this, the Company considers the effect of the modified time value of money element in each reporting period and cumulatively over the life of the financial instrument.

In addition, if more than an infrequent sale is made out of a portfolio of financial assets carried at amortized cost, an entity should assess whether and how such sales are consistent with the objective of collecting contractual cash flows. In making this judgment, the Company considers certain circumstances documented in its business model manual to assess that an increase in the frequency or value of sales of financial instruments in a particular period is not necessary inconsistent with a held to collect business model if the Company can explain the reasons for those sales and why those sales do not reflect a change in the Company's objective for the business model.

(d) Distinction Between Investment Properties and Owner-occupied Properties

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

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for administrative purposes. If these portions can be sold separately (or leased out separately under finance lease), the Company accounts for the portions separately. If the portion cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Company considers each property separately in making its judgment.

(e) Distinction Between Operating and Finance Leases for Contracts where the Company is the Lessor

The Company has entered into lease agreements for condominium units as lessor. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risks and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities.

(f) Recognition of Provisions and Contingencies

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events. Similarly, possible outflows of economic benefits to the Company that do not yet meet the recognition criteria of a liability are considered contingent liabilities, hence, are not recognized in the financial statements. Judgment is exercised by management to distinguish between provisions and contingencies. Relevant disclosures are presented in Note 22.

(g) Going Concern Assumption

When preparing financial statements, management makes an assessment of the Company's ability to continue as a going concern. The Company prepares the financial statements on a going concern basis unless the Company either intends to liquidate or to cease trading, or has no realistic alternative but to do so. When the Company is aware in making its assessment of material uncertainties related to events or conditions that may cast significant doubt upon its ability to continue as a going concern, the management shall disclose those uncertainties.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to 12 months from the end of the reporting period. The management considers a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing before it can satisfy itself that the going concern basis is appropriate.

The management believes that the Company, though it incurs significant operating losses and it has a deficit as at December 31, 2024 and 2023, will continue as a going concern, as disclosed in Note 1.2.

3.2 Key Sources of Estimation Uncertainty

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

(a) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 4.2.

(b) *Fair Value Measurement for Investment Properties*

The Company's investment properties are composed of condominium units which are held for lease to related parties and are measured using cost model. The estimated fair value of these investment properties, as disclosed in Note 13, is determined on the basis of comparable prices of similar properties in the nearby locations. Consideration to various inputs such as the size, age, and condition of the condominium units were used for valuation purposes.

For investment properties with appraisal conducted prior to the end of the current reporting period, management determines whether there are significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

A significant change in key inputs and sources of information used in the determination of the fair value disclosed for those assets may result in adjustment in the carrying amount of the assets reported in the financial statements if their fair value will indicate evidence of impairment.

(c) *Determination of Realizable Amount of Deferred Tax Assets*

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management has assessed that the deferred tax assets as at December 31, 2024 and 2023 may not be fully utilized in the coming years; hence, the Company did not recognize its deferred tax assets as of those periods (see Note 21).

(d) *Impairment of Non-financial Assets*

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

No impairment loss on non-financial assets was recognized in 2024, 2023 and 2022.

(e) *Valuation of Post-employment Benefit Obligation*

The determination of the Company's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by the actuary in calculating such amounts. Those assumptions significantly include, among others, discount rate and salary growth rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment benefit obligation in the next reporting period.

The amounts of post-employment benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment benefit, as well as the significant assumptions used in estimating such obligation are presented in Note 19.2.

4. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to certain financial risks in relation to its financial instruments. The Company's financial assets and financial liabilities by category are summarized in Note 5. The main types of risks are credit risk, interest rate risk, liquidity risk and other market price risk.

The Company's risk management is performed by the Company's BOD, and focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to are described as follows:

4.1 Interest Rate Risk

The Company's policy is to minimize cash flow interest rate risk exposures. As of December 31, 2024 and 2023, the Company is exposed to changes in market interest rates of interest-bearing loans and borrowings (see Note 16) and due to/from subsidiaries (see Note 11), which are subject to variable interest rates. On the other hand, cash in banks are subject to insignificant changes in interest rates since these are significantly used for operating activities. All other financial assets and financial liabilities have fixed rates.

The table below illustrates the sensitivity of the Company's loss before tax to a reasonably possible change in interest rates. These changes are considered to be reasonably possible based on the observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at the end of each reporting period that are sensitive to changes in interest rates. All other variables are held constant.

	Effect on Loss Before Tax			
(Amounts in PHP)	**2024**		2023	
	+35.59%	**-35.59%**	+1.42%	-1.42%
Due from subsidiaries	**(131,488,222)**	**131,488,222**	(5,934,087)	5,934,087
	+0.35%	**-0.35%**	+0.59%	-0.59%
Interest-bearing loans and borrowings	**18,211,561**	**(18,211,561)**	30,285,683	(30,285,683)
Due to subsidiaries	**1,632,056**	**(1,632,056)**	3,230,486	(3,230,486)
	19,843,617	**(19,843,617)**	33,516,169	(33,516,169)

4.2 Credit Risk

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments arising from granting loans to and receivables from customers and placing bank deposits.

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

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the statements of financial position (or in the detailed analysis provided in the notes to financial statements), as summarized below.

(Amounts in PHP)	Notes	**2024**	2023
Cash	7	**3,721,342**	6,813,100
Receivables - net	10	**1,751,296,902**	2,031,432,676
Dues from subsidiaries	11.1	**369,452,716**	417,893,479
		2,124,470,960	2,456,139,255

None of the Company's financial assets are secured by collateral or other credit enhancements, except for cash in banks as described below.

(a) *Cash*

As part of the Company's policy, bank deposits are maintained only with reputable financial institutions. Cash in banks which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P500,000 (increased to P1,000,000 effective March 15, 2025) per depositor per banking institution, as provided for under Republic Act (R.A.) No. 9576, *Charter of Philippine Deposit Insurance Corporation,* are still subjected to credit risk.

(b) *Receivables*

The Company applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance for all receivables.

Certain receivables are secured by pledged marketable shares of stock (see Note 10). In computing for the lifetime ECL, the Company applied an individual assessment of ECL measurement considering qualitative factors, i.e., longevity of days outstanding, no recorded activities and insufficient collateral valuation.

The carrying amount of receivables in the Company's financial statements represents the Company's maximum exposure to credit risk taking into account the value of any collateral obtained.

(Amounts in PHP)	Notes	**2024**	2023
Individually impaired:			
Accrued interest receivable		**45,591,055**	45,591,055
Loan receivables		**31,955,161**	31,955,161
Trade receivables		**19,000,000**	19,000,000
Others		**12,553**	12,553
Gross amount		**96,558,769**	96,558,769
Allowance for impairment		**(96,558,769)**	(96,558,769)
Carrying amount		**-**	-
Past due but not impaired:			
Loan receivables		**36,494,029**	36,494,029
Others		**1,267,098**	1,268,480
		37,761,127	37,762,509
Neither past due nor impaired:			
Due from a stockbroker	11.1	**1,684,890,167**	1,965,024,559
Management fee receivables	11.4	**19,550,000**	19,550,000
Rent receivables	11.3	**9,095,608**	9,095,608
		1,713,535,775	1,993,670,167
Net carrying amount	10	**1,751,296,902**	2,031,432,676

The expected loss rates are based on the payment of counterparties over a period of twelve months before December 31, 2024 and 2023, and the corresponding historical credit losses experienced within such period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the counterparties to settle the receivables.

The Company has identified the consumer credit to be the most relevant factor and accordingly adjusts the historical loss rates based on expected changes in this factor. The Company's management continues to monitor default rates and macroeconomic factors affecting the ability of the counterparties to settle the receivables.

(c) *Due from Subsidiaries*

The Company's receivables from subsidiaries are unsecured and repayable on demand. For intercompany receivable that is repayable on demand, the ECL is based on the assumption that repayment of the loan is demanded at the reporting date.
The management determines the probability of collection upon demand. In addition, management has assessed that the subsidiaries have sufficient liquid and recoverable assets to repay the Company if payment will be demanded at the end of reporting period. If a related party is unable to make repayment, the management considers the manner of recovery to measure the ECL. In respect of these receivables from subsidiaries, the Company does not identify circumstances, including adverse economic factors, that may indicate the related parties' unlikeliness to settle their obligation to the Company. In addition, management has assessed that the subsidiaries have sufficient liquid and recoverable assets to repay the Company if payment will be demanded at the end of reporting period.

4.3 Liquidity Risk

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a six-month and one-year period are identified monthly.

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Funding for long-term liquidity needs is additionally secured by the Company's ability to sell long-term financial assets.

As of December 31, 2024 and 2023, the Company's financial liabilities have contractual maturities which are presented below.

(Amounts in PHP)	**Within 6 months**	**Between 6 to 12 months**	**Total**
2024			
Interest-bearing loans and borrowings (including accrued interest)	5,170,790,212	68,260,821	5,239,051,033
Due to a subsidiary	466,301,778	-	466,301,778
Other liabilities (excluding taxes payable and accrued interest)	2,300,603	3,792,191	6,092,794
	5,639,392,593	**72,053,012**	**5,711,445,605**
2023			
Interest-bearing loans and borrowings (including accrued interest)	5,158,201,920	2,384,024	5,160,585,944
Due to a subsidiary	547,539,996	-	547,539,996
Other liabilities (excluding taxes payable and accrued interest)	2,411,229	3,798,412	6,209,641
	5,708,153,145	6,182,436	5,714,335,581

The contractual maturities reflect the gross cash flows, which may differ from the carrying values of the financial liabilities at the end of the reporting periods.

4.4 Other Market Price Risk

The Company's market price risk arises from its investments carried at fair value (financial assets at FVTPL and at FVOCI). It manages its risk arising from changes in market price by monitoring the changes in the market price of the investments.

The observed volatility rates using standard deviation of the fair values of the Company's investments held at fair value and their impact on the Company's net results and other comprehensive income as of December 31, 2024 and 2023 are summarized below.

	Observed Volatility Rates		**Impact of Increase**		**Impact of Decrease**	
(Amounts in PHP)	**Increase**	**Decrease**	**Loss before tax**	**Equity**	**Loss before tax**	**Equity**
2024						
Financial assets at FVTPL –						
Empire East Land Holdings Inc.	+35.66%	-35.66%	(42,795)	32,096	42,795	(32,096)
SP New Energy Corporation	+32.41%	-32.41%	(268)	201	268	(201)
Financial assets at FVOCI –						
Berjaya Philippines, Inc. (BCOR)	+75.26%	-75.26%	-	2,132,270,223	-	(2,132,270,223)
			(43,063)	**2,132,302,520**	**43,063**	**(2,132,302,520)**

(Amounts in PHP)	Observed Volatility Rates Increase	Decrease	Impact of Increase Loss before tax	Equity	Impact of Decrease Loss before tax	Equity
2023						
Financial assets at FVTPL –						
Figaro Coffee Group	+55.01%	-55.01%	(1,450,276)	1,087,707	1,450,276	(1,087,707)
SP New Energy Corporation	+33.76%	-33.76%	(20,017,060)	15,012,795	20,017,060	(15,012,795)
Financial assets at FVOCI –						
BCOR	+33.51%	-33.51%	-	769,021,298	-	(769,021,298)
			(21,467,336)	785,121,800	21,467,336	(785,121,800)

The investments in listed equity securities are considered long-term strategic investments. In accordance with the Company's policies, no specific hedging activities are undertaken in relation to these investments.

No volatility rates for investment in golf club shares are presented as of December 31, 2024 and 2023 since the monthly fair values are not readily available. Nevertheless, the impact of the volatility rates using standard deviation of the golf club shares on the Company's net results and other comprehensive loss would not be significant.

5. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Company's financial assets and financial liabilities carried at amortized cost as presented in the statements of financial position are short-term in nature except for financial assets measured at FVTPL and FVOCI. For the Company's investments at FVTPL and FVOCI, their carrying values of P120,828 and P2,854,787,918, respectively, as at December 31, 2024, and P61,930,552 and P2,312,507,675, respectively, as at December 31, 2023, are equal to their fair values as at those dates. Since the carrying value of the financial assets and liabilities approximate or are equal their fair values, a comparison between these values is no longer presented.

A description of the Company's risk management objectives and policies for financial instruments is provided in Note 4. Except as discussed in Notes 11.1 and 11.7, the Company has not set-off financial instruments in 2024 and 2023 and does not have relevant offsetting arrangements as of the end of the reporting periods. Currently, financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument will have the option to settle all such amount on a net basis in the event of default of the other party through approval by both parties' BOD and stockholders.

6. FAIR VALUE MEASUREMENT AND DISCLOSURES

6.1 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities, and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. When the Company uses valuation techniques, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

6.2 Financial Instrument Measured at Fair Value

The table below shows the fair value hierarchy of the Company's classes of financial assets measured at fair value in the statements of financial position on a recurring basis as of December 31, 2024 and 2023.

(Amounts in PHP)	**Level 1**	**Level 2**	**Level 3**	**Total**
2024:				
Financial assets at FVOCI	2,833,237,918	21,550,000	-	2,854,787,918
Financial assets at FVTPL	120,828	-	-	120,828
	2,833,358,746	**21,550,000**	**-**	**2,854,908,746**
2023:				
Financial assets at FVOCI	2,294,607,675	17,900,000	-	2,312,507,675
Financial assets at FVTPL	61,930,552	-	-	61,930,552
	2,356,538,227	17,900,000	-	2,374,438,227

The fair values of the listed equity securities were determined directly by reference to quoted prices published by the PSE. On the other hand, the fair values of the club shares were determined using the prices published by a SEC-registered club share broker.

Golf club shares classified as financial assets at FVOCI are included in Level 2 as their prices are not derived from market considered as active due to lack of trading activities among market participants at the end or close to the end of the reporting period.

There were no financial liabilities measured at fair value as of December 31, 2024 and 2023 nor transfers among fair value hierarchies in both years.

6.3 Financial Instrument Measured at Amortized Cost for which Fair Value is Disclosed

The tables below summarize the fair value hierarchy of the Company's financial assets and financial liabilities which are not measured at fair value in the statements of financial position but for which fair value is disclosed.

(Amounts in PHP)	**Level 1**	**Level 2**	**Level 3**	**Total**
2024				
Financial assets:				
Cash	3,721,342	-	-	3,721,342
Receivables - net	-	-	1,751,296,902	1,751,296,902
Due from subsidiaries	-	-	369,452,716	369,452,716
	3,721,342	**-**	**2,120,749,618**	**2,124,470,960**
Financial liabilities:				
Interest-bearing loans and borrowings	-	-	5,203,303,130	5,203,303,130
Due to a subsidiary	-	-	466,301,778	466,301,778
Other liabilities	-	-	6,092,794	6,092,794
	-	**-**	**5,675,697,702**	**5,675,697,702**
2023				
Financial assets:				
Cash	6,813,100	-	-	6,813,100
Receivables - net	-	-	2,031,432,676	2,031,432,676
Due from subsidiaries	-	-	417,893,479	417,893,479
	6,813,100	-	2,449,326,155	2,456,139,255
Financial liabilities:				
Interest-bearing loans and borrowings	-	-	5,133,166,582	5,133,166,582
Due to a subsidiary	-	-	547,539,996	547,539,996
Other liabilities	-	-	6,209,641	6,209,641
	-	-	5,686,916,219	5,686,916,219

For financial assets with fair values included in Level 1, management considers that the carrying amounts of those short-term financial instruments approximate their fair values. The fair values of the financial assets and financial liabilities included in Level 3 above, which are not traded in an active market, are determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument, which is substantially the same after taking into account the related credit risk of counterparties, or are calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Company uses valuation technique, it maximizes the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

6.4 Fair Value Measurement of Non-financial Assets

The market value of the Company's investment properties which consist of condominium units amounted to P99,787,517 and P96,285,772 as of December 31, 2024 and 2023, respectively, based on the market comparable approach that reflects recent transaction prices for similar properties and adjacent properties. The carrying amount of the investment properties is shown in Note 13.

The fair value of the condominium units, which is at Level 3 of the hierarchy, was derived using the observable recent prices of the reference properties and were adjusted for differences in key attributes such as property size, zoning, and accessibility. The most significant input into this valuation approach is the price per square meter; hence, the higher the price per square meter, the higher the fair value of the properties.

7. CASH

Cash includes the following components as of December 31:

(Amounts in PHP)	**2024**	2023
Cash in banks	**3,721,342**	6,813,100
Cash on hand	**5,000**	5,000
	3,726,342	6,818,100

Cash in banks generally earn interest based on daily bank deposit rates. Interest income earned in December 31, 2024, 2023, and 2022 amounting to P4,692, P11,680 and P10,636, respectively, is shown as part of the Interest Income in the statements of comprehensive income.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Company has investments in shares of stock of publicly listed entities which are held solely for trading purposes. These shares are carried at fair value, as determined directly by reference to published prices quoted in an active market. As of December 31, 2024 and 2023, financial assets at FVTPL pertain to investments in equity securities.

A reconciliation of financial assets at FVTPL is as follows:

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**61,930,552**	37,962,474
Disposals	**(87,588,712)**	(340,397,196)
Additions	**25,834,927**	363,012,304
Fair value gains (losses)	**(55,939)**	1,352,970
Balance at end of year	**120,828**	61,930,552

The dividends earned on financial assets at FVTPL in 2024, 2023, and 2022 amounted to nil, P113,238 and P10,500, respectively. This amount is presented as part of Dividend Income under Revenues section of the statements of comprehensive income.

The realized loss on sale of financial assets at FVTPL amounted to P11,745,859, P13,591,091 and P13,764,988 in 2024, 2023 and 2022, respectively, and is presented under the Expenses section of the statements of comprehensive income.

Meanwhile, unrealized loss on financial assets at FVTPL amounted to P55,939 and P1,902,776 in 2024 and 2022, respectively, and is presented as part of Others under Expenses section of the 2024 and 2022 statements of comprehensive income (see Note 20). In 2023, unrealized gain on financial assets at FVTPL amounted to P1,352,970 and is presented as part of Others under Revenue section of the 2023 statement of comprehensive income.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHERCOMPREHENSIVE INCOME

As of December 31, financial assets at FVOCI pertain to investments in equity securities and club shares of the following:

(Amounts in PHP)	**2024**	2023
BCOR	**2,833,237,918**	2,294,607,675
Others	**21,550,000**	17,900,000
	2,854,787,918	2,312,507,675

Others pertain to other equity securities and proprietary membership in golf and country club shares.

The reconciliation of the carrying amounts of financial assets at FVOCI is as follows:

(Amounts in PHP)	Note	**2024**	2023
Balance at beginning of year		**2,312,507,675**	2,302,293,872
Fair value gains	18.3	**541,378,999**	9,020,082
Additions		**901,244**	1,193,721
Balance at end of year		**2,854,787,918**	2,312,507,675

The reconciliation of unrealized fair value gains on financial assets at FVOCI reported under equity is shown in Note 18.3.

Fair value gains on financial assets at FVOCI is presented in the statements of comprehensive income as items that will not be reclassified subsequently to profit or loss (see Note 18.3).

There was no realized gain on sale of financial assets at FVOCI in 2024, 2023 and 2022 that were transferred directly to Retained Earnings.

10. RECEIVABLES

The breakdown of this account is as follows:

(Amounts in PHP)	Notes	**2024**	2023
Current:			
Due from a stockbroker	11.1	**1,684,890,167**	1,965,024,559
Loans		**68,449,190**	68,449,190
Accrued interest receivable		**45,591,055**	45,591,055
Management fee receivable	11.4	**19,550,000**	19,550,000
Others		**764,818**	764,818
		1,819,245,230	2,099,379,622
Non-current:			
Trade receivables		**19,000,000**	19,000,000
Rent receivable	11.3	**9,095,608**	9,095,608
Others		**514,833**	516,215
		28,610,441	28,611,823
		1,847,855,671	2,127,991,445
Allowance for impairment		**(96,558,769)**	(96,558,769)
		1,751,296,902	2,031,432,676

Management believes that the allowance for impairment is adequate based on the ECL model to cover the impaired receivables and since the Company's management has regular communication with the debtor for the settlement of the receivables.

Loans, accrued interest receivable and other receivables represent past due receivables from a certain individual. These receivables are provided with an allowance amounting to P77,558,769 as of December 31, 2024 and 2023, and the remaining balance is fully secured by pledged marketable shares of stock with a total market value of P60,862,300 and P52,320,000 as of December 31, 2024 and 2023, respectively. Since there is uncertainty of collection on the loans receivable, the Company opted to cease accruing interest on the loans since 2000.

Non-current trade receivables, which have been outstanding in the prior years, have been subject to a full allowance of P19,000,000.

Other non-current receivables pertain to amounts due from various debtors and advances to officers and employees.

11. RELATED PARTY TRANSACTIONS

A summary of the Company's outstanding balances and amounts of transactions with its related parties is presented below.

(Amounts in PHP)		**2024**		2023		2022	
Related Party Category	Notes	**Amount of Transactions**	**Outstanding Balances**	Amount of Transactions	Outstanding Balances	Amount of Transactions	Outstanding Balances
Subsidiaries:							
Trading transactions - net	11.1, 11.7	**(280,134,392)**	**1,684,890,167**	(910,649,548)	1,965,024,559	661,986,105	2,875,674,107
Interest income on advances	11.1	**25,151,859**	**-**	13,372,740	-	27,916,522	-
Granting (collection)	11.1						
of non-trade advances	11.1	**(48,440,763)**	**369,452,716**	215,133,038	417,893,479	(49,660,631)	202,760,442
Obtaining (payment)							
of non-trade advances	11.1	**(81,238,218)**	**(466,301,778)**	133,776,623	(547,539,996)	398,259,177	(413,763,373)
Interest expense on advances	11.1	**5,637,923**	**-**	-	-	-	-
Lease of property	11.3	**3,852,500**	**-**	2,781,071	-	1,709,643	-
Security deposit	11.3	**-**	**(1,280,010)**	-	(1,280,010)	-	(680,168)
Dividend earned and received	12	**-**	**-**	100,000,000	-	-	-
Loan availments	11.6	**70,136,548**	**5,203,303,130**	(358,809,971)	5,133,166,582	566,908,673	5,491,976,553
Entities Under Common Key Management Personnel:							
Lease of property	11.3	**-**	**9,095,608**	-	9,095,608	847,768	9,095,608
Management fees	11.4	**-**	**19,550,000**	-	19,550,000	-	19,550,000
Security deposit	11.3	**-**	**-**	-	-	211,000	-
Purchase of property and equipment	11.8	**-**	**-**	-	-	2,400,000	-
Others:							
Key management personnel compensation	11.2	**7,137,438**	**-**	7,085,600	-	7,073,855	-
Retirement plan assets	11.5	**5,990,039**	**21,335,406**	890,167	15,345,367	(5,852,662)	14,455,200

All the Company's receivables from related parties were assessed for impairment. Based on management's assessment, no additional impairment losses are required to be recognized on these receivables at the end of each reporting period. Moreover, receivables from and payables to related parties are deemed collectible and payable, respectively, within the following year.

Details of the Company's transactions with related parties in the normal course of business are described below and in the succeeding pages.

11.1 Granting and Obtaining of Advances

The Company grants to and obtains advances from its subsidiaries primarily for working capital requirements. These unsecured, interest-bearing advances have a maturity of 30 to 60 days, earn interest at rates of 5.63% in 2024, 5.35% in 2023 and 4.26% in 2022, and are either payable in cash or subject to offsetting. The interest rate charged in 2024 and 2023 are computed based on the averaged fourth quarter rates of 91-day BSP Treasury Bills.

The outstanding balance are presented as Due from Subsidiaries and Due to a Subsidiary in the statements of financial position. The details of these accounts are presented below.

(Amounts in PHP)	**2024**	2023
Due from subsidiaries:		
VHC	**249,326,357**	307,340,034
ACIC	**120,126,359**	110,553,445
	369,452,716	417,893,479
Due to a subsidiary –		
ASC	**466,301,778**	547,539,996

The movements in the related party accounts are presented below.

(Amounts in PHP)	**2024**	2023
Due from subsidiaries:		
Balance at beginning of year	**417,893,479**	202,760,442
Collections during the year	**(249,624,873)**	(127,784,958)
Advances granted during the year	**201,184,110**	342,917,995
Balance at end of year	**369,452,716**	417,893,479
Due to a subsidiary:		
Balance at beginning of year	**547,539,996**	413,763,373
Payments during the year	**(1,777,914,997)**	(2,410,269,208)
Advances obtained during the year	**1,696,676,779**	2,544,045,831
Balance at end of year	**466,301,778**	547,539,996

The Company has a receivable from ASC which serves as a settlement account for the Company's securities trading transactions. This is presented as Due from a stockbroker under the Receivables account in the statements of financial position (see Note 10). In 2024 and 2023, this receivable is fully secured by equity securities with fair market values totalling P2,729,877,133 and P3,126,158,690, respectively, which exceed the receivable's carrying amount.

Interest earned on due from subsidiaries, which is included as part of Interest Income in the statements of comprehensive income, amounted to P25,151,859, P13,372,740 and P27,916,522 in 2024, 2023 and 2022, respectively. Meanwhile, interest expense incurred for due to a subsidiary, which is included as part of Interest Expense in the statements of comprehensive income, amounted to P5,637,923 in 2024 and nil in 2023 and 2022.

11.2 Key Management Personnel

Short-term and post-employment benefits given by the Company to key management personnel are shown below.

(Amounts in PHP)	**2024**	2023	2022
Short-term benefits	**6,854,658**	6,811,970	6,613,284
Post-employment defined benefits	**282,780**	273,630	460,571
	7,137,438	7,085,600	7,073,855

11.3 Lease of Property

The Company leases an office space to ASC which covers a period of two years subject to renewal options thereafter. The revenue arising from this transaction amounted to P3,852,500, P2,781,071 and P1,709,643 in 2024, 2023 and 2022, respectively, and is included as part of Other Revenues in the statements of comprehensive income (see Note 22.1). There is no outstanding receivable arising from the lease transaction with ASC as of December 31, 2024 and 2023. The balance of the security deposit paid by ASC on the lease of condominium units in 2024 and 2023 amounts to P1,280,010 and is presented as part of Non-current security deposits under the Other Liabilities account in the statements of financial position (see Note 17). The amount of security deposit paid by ASC is unsecured and noninterest-bearing.

Also, the Company has a lease agreement with BPPI, a related party under common key management personnel, covering a certain office space for a monthly fee amounting to P105,500. The agreement covers a period of two years and is renewable upon mutual consent of the parties. However, the lease contract was terminated on September 30, 2022. Rent income recognized by the Company amounted to P847,768 in 2022 and is included as part of Other Revenues in the 2022 statement of comprehensive income. No similar transaction occurred in 2024 and 2023.

The outstanding receivable from this transaction amounted to P9,095,608 as of December 31, 2024 and 2023, and is included as Rent receivable under the Receivables account in the statements of financial position (see Note 10).

The outstanding balance of receivable from BPPI and the amount of security deposit are both unsecured and noninterest-bearing. The amount of receivable is collectible in cash upon demand while the security deposit paid is refundable at the end of lease term. Upon lease termination, the security deposit amounting to P211,000 was utilized according to the terms of the lease contract.

11.4 Management Fees

The Company entered into a Management Services Agreement with ASC, whereby ASC engaged the Company to be its consultant with respect to its management and operations and all other related interests and properties of ASC, in accordance with and subject to the mutual terms and conditions of the agreement. In consideration for these services, ASC shall pay an annual management fee equivalent to 20% of its taxable income before management fee and net operating loss carry over (NOLCO), if any.

Management fees billed by the Company are presented as part of Management Fees in the statements of comprehensive income. No management fees recognized in 2024, 2023 and 2022 as ASC is in a net taxable loss position.

Further, the Company entered into a business development service agreement with Philippine Gaming Management Corporation (PGMC), a related party under common key management personnel for a period of one year, renewable every year. However, no management fees were billed to PGMC in 2024, 2023, and 2022. The outstanding receivable related to this agreement is presented as part of Management Fees under Receivables in the statements of financial position (see Note 10). Outstanding balance of receivable from PGMC is unsecured, noninterest-bearing and collectible in cash upon demand.

11.5 Retirement Plan

The Company's retirement fund is a multi-employer retirement plan, which is administered by a trustee bank. The retirement fund includes investments in cash and cash equivalents, government bonds and Unit Investment Trust Funds (UITFs) with a total fair value of P21,335,406 and P15,345,367 as of December 31, 2024 and 2023, respectively.

The details of the contributions of the Company and the fair value of the plan assets are presented in Note 19.2.

11.6 Loan Availments

The Company obtains loans from various individual and corporate funders through one of its subsidiaries, ACIC (see Note 16).

11.7 Outstanding Trading Transactions

In the normal course of business, the Company and its directors and key officers transact their securities investments through ASC. Any outstanding balances arising from these transactions are secured with their corresponding stock position, are noninterest-bearing and are normally settled within three days after trading date. Also, as agreed between the Company and ASC's directors and key officers in an offsetting arrangement between the concerned parties, any amounts due from the directors and key officers (which are included as part of Receivables in the statements of financial position) arising from trading transactions will be offset against the related amount of due to customers that is payable to the Company.

11.8 Purchase of Property and Equipment

In 2022, the Company acquired parking spaces amounting to P2,400,000 from a related party under common ownership. These parking spaces were included as part of Property and Equipment in the 2022 statement of financial position (see Note 14). The acquisition cost was fully paid in 2022. No similar transactions occurred in 2024 and 2023.

12. INVESTMENTS IN SUBSIDIARIES

As of December 31, 2024 and 2023, the components of the carrying values of investments in wholly owned subsidiaries, accounted for under the cost method, are as follows (amounts in PHP):

Subsidiaries:	
ACIC	375,797,978
ASC	350,000,000
VHC	145,800,000
	871,597,978
Allowance for impairment	(188,011,613)
	683,586,365

The place of incorporation, which is similar with the place of operation of the Company's subsidiaries, is located at Unit 2904-A East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City.

The dates of incorporation of the Company's subsidiaries are shown below.

Subsidiaries	Date of Incorporation
ACIC	January, 6, 1995
ASC	December 29, 1991
VHC	June 21 1993

Dividends earned and received from ACIC amounted to P100,000,000 in 2023. No dividends were earned from the subsidiaries in 2024 and 2022 (see Note 11).

The amount of impairment loss is determined based on the Company's share in the net book value of the investee or expected realization of the investment as at December 31, 2024 and 2023. There was no other indication of additional impairment for the Company's investment in subsidiaries in 2024 and 2023.

The following tables present the audited information on the financial position and performance of the Company's subsidiaries as of December 31:

(Amounts in PHP)	ASC	ACIC	VHC
2024			
Total assets	**1,220,154,355**	**838,062,863**	**1,592,629,938**
Total liabilities	**846,643,401**	**133,777,086**	**873,286,248**
Total equity	**373,510,954**	**704,285,777**	**719,343,690**
Net profit (loss)	**1,267,995**	**(25,754,743)**	**236,199,736**
2023			
Total assets	986,899,332	795,824,992	1,396,860,765
Total liabilities	618,205,125	121,321,378	912,439,521
Total equity	368,694,207	674,503,614	484,421,244
Net loss	(34,114,080)	(16,255,827)	(35,032,395)

13. INVESTMENT PROPERTIES

The Company owns 4 condominium units, 3 of which are being rented to its subsidiary (see Note 11.3). As of December 31, 2024 and 2023, the cost of condominium units amounted to P26,674,492 and is fully depreciated.

The Company also incurred real property taxes amounting to P105,739, P103,442 and P101,146 in 2024, 2023, and 2022, respectively, which are presented as part of the Taxes and licenses in the statements of comprehensive income. Rental income earned by the Company amounted to P3,852,500, P2,781,071 and P2,557,411 in 2024, 2023 and 2022, respectively, and is recognized as part of Others under Revenues section of the statements of comprehensive income, respectively (see Note 11.3).

The fair value of investment properties is disclosed in Note 6.4. Management determined that there are no significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

14. PROPERTY AND EQUIPMENT

The gross carrying amount and the accumulated depreciation of property and equipment, which pertains to acquired domains, as of December 31, 2024 and 2023 are as follows:

(Amounts in PHP)	**2024**	2023
Cost	**2,400,000**	2,400,000
Accumulated depreciation	**(200,000)**	(104,000)
Net carrying amount	**2,200,000**	2,296,000

A reconciliation of the carrying amounts of property and equipment at the beginning and end of 2024 and 2023 is presented below.

(Amounts in PHP)	**2024**	2023
Balance at January 1, net of accumulated depreciation and amortization	**2,296,000**	2,392,000
Depreciation and amortization	**(96,000)**	(96,000)
Balance at December 31, net of accumulated depreciation and amortization	**2,200,000**	2,296,000

15. OTHER ASSETS

The breakdown of this account is as follows:

(Amounts in PHP)	Note	**2024**	2023
Non-current:			
Tax credits	15.1	**86,763,186**	86,647,307
Deferred oil exploration costs	15.2	**15,418,003**	15,418,003
Defined benefit asset	19.2	**5,332,697**	-
Others		**41,922**	41,922
		107,555,808	102,107,232
Allowance for non-recoverable deferred oil exploration costs		**(15,418,003)**	(15,418,003)
		92,137,805	86,689,229

15.1 Tax Credits

Tax credits represent withheld taxes from rentals and management fees collected by the Company.

15.2 Deferred Oil Exploration Costs

Deferred oil exploration costs represent mainly costs and related expenses incurred in connection with the Company's participation in the exploration of oil under GSEC-57 contract. The Company believes that while the result of the exploration of the first well indicated that the area covered by the first well may no longer be viable, the potential of the remaining areas is still untested and, thus, substantial prospects and leads remain valid. In this regard, the consortium, of which the Company is a participant, applied for its third Non-Exclusive Geophysical Permit which was approved by the Department of Energy on October 31, 1995. The Company's management asserts that the project is still viable, and no write-offs have been made by the project proponents. However, it has taken a conservative position and provided a full allowance of P15,418,003 for possible non-recoverability.

16. INTEREST-BEARING LOANS AND BORROWINGS

This account consists of short-term and unsecured notes payable amounting to P5,203,303,130 and P5,133,166,582 as of December 31, 2024 and 2023, respectively, all with maturities falling within one year from the end of each reporting period. These are regularly obtained from various individual and corporate funders and are coursed through the Company's subsidiary, ACIC (see Note 11.6).

The notes payable bear annual interest rates ranging from 4.50% to 7.25% in 2024 and 2023, and from 4.00% to 7.00% in 2022. Interest incurred on these notes amounted to P357,641,626, P371,904,319 and P315,147,379 in 2024, 2023 and 2022, respectively, and are included as Interest Expense in the statements of comprehensive income.

The outstanding interest payable as of December 31, 2024 and 2023 amounts to P35,747,903 and P27,419,362, respectively, and is presented as Accrued interest payable under the Other Liabilities account in the statements of financial position (see Note 17).

17. OTHER LIABILITIES

This account consists of:

(Amounts in PHP)	Notes	**2024**	2023
Current:			
Accrued interest payable	16	**35,747,903**	27,419,362
Expanded withholding tax payable		**7,174,927**	6,837,130
VAT payable - net		**2,200,513**	1,312,614
Accounts payable		**-**	12,840
Others	20	**4,944,411**	5,052,088
		50,067,754	40,634,034
Non-current:			
Security deposits	11.3	**1,280,010**	1,280,168
Post-employment defined benefit obligation	19.2	**-**	277,040
		51,347,764	42,191,242

Other liabilities mainly pertain to unpaid professional fees, accrued employee benefits, and other taxes payable.

18. EQUITY

18.1 Capital Management Objectives, Policies and Procedures

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern in order to provide an adequate returns in the future to its shareholders.

The Company monitors capital on the basis of the carrying amount of equity or capital deficiency as presented in the statements of financial position.

The Company sets the amount of capital in proportion to its overall financing structure (i.e., equity and all liabilities). The Company manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt.

18.2 Capital Stock

The Company has an authorized capital stock of P1,193,200,000 divided into 1,193,200,000 shares at P1 par value. As of December 31, 2024 and 2023, the Company has 1,193,200,000 issued and outstanding shares totalling P1,193,200,000.

18.3 Revaluation Reserves

The components and reconciliation of items of other comprehensive income presented in the statements of changes in equity at their aggregate amount under Revaluation Reserves account are as follows:

(Amounts in PHP)	**Financial Assets at FVOCI** (see Note 9)	**Post-employment Defined Benefit Obligation** (see Note 19.2)	**Total**
Balance as of January 1, 2024	1,325,024,576	(1,243,415)	1,323,781,161
Unrealized fair value gains on financial assets at FVOCI	541,378,999	-	541,378,999
Remeasurements of post-employment defined benefit obligation	-	6,274,783	6,274,783
Other comprehensive income	541,378,999	6,274,783	547,653,782
Balance as of December 31, 2024	**1,866,403,575**	**5,031,368**	**1,871,434,943**
Balance as of January 1, 2023	1,316,004,494	(975,242)	1,315,029,252
Unrealized fair value gains on financial assets at FVOCI	9,020,082	-	9,020,082
Remeasurements of post-employment defined benefit obligation	-	(268,173)	(268,173)
Other comprehensive income (loss)	9,020,082	(268,173)	8,751,909
Balance as of December 31, 2023	1,325,024,576	(1,243,415)	1,323,781,161

(Amounts in PHP)	Financial Assets at FVOCI (see Note 9)	Post-employment Defined Benefit Obligation (see Note 19.2)	Total
Balance as of January 1, 2022	1,043,674,944	4,416,046	1,048,090,990
Unrealized fair value gains on financial assets at FVOCI	272,329,550	-	272,329,550
Remeasurements of post-employment defined benefit obligation	-	(5,391,288)	(5,391,288)
Other comprehensive income (loss)	272,329,550	(5,391,288)	266,938,262
Balance as of December 31, 2022	1,316,004,494	(975,242)	1,315,029,252

18.4 Track Record

On November 17, 1994, the SEC approved the listing of the Company's shares totaling 1,193,200,000 (see Note 1.1). The shares were initially issued at an offer price of P1.00 per share. As of December 31, 2024 and 2023, there are 100 holders of the listed shares equivalent to 100% of the Company's total outstanding shares. Such listed shares closed at P0.65 and P0.60 per share as of December 31, 2024 and 2023, respectively.

19. EMPLOYEE BENEFITS

19.1 Salaries and Employee Benefits

Details of employee benefits are presented below.

(Amounts in PHP)	Note	2024	2023	2022
Salaries and wages		**7,722,225**	8,044,391	6,961,890
Bonuses		**1,352,842**	1,321,175	1,185,751
Post-employment defined benefits	19.2	**648,424**	548,384	567,429
Social security costs		**244,921**	243,236	177,820
Other short-term benefits		**317,332**	298,475	484,711
		10,285,744	10,455,661	9,377,601

19.2 Post-employment Defined Benefit Plan

(a) Characteristics of the Defined Benefit Plan

The Company maintains a tax-qualified and non-contributory retirement plan that is being administered by a trustee bank covering all regular full-time employees.

The normal retirement age is 60 with a minimum of five years of credited service. Normal retirement benefit is an amount equivalent to 100% of latest monthly salary for every year of credited service and shall be paid in lump sum.

(b) Explanation of Amounts Presented in the Financial Statements

Actuarial valuations are made each year to update the post-employment benefit costs and the amount of contributions. All amounts presented below and in the succeeding pages are based on the actuarial valuation report obtained from an independent actuary in 2024 and 2023.

The amounts of net post-employment defined benefit asset (obligation), recognized as part of Other Assets in the statements of financial position (see Note 15), are presented below.

(Amounts in PHP)	**2024**	2023
Fair value of plan assets	**21,335,406**	15,345,367
Present value of the obligation	**(13,546,834)**	(13,902,683)
Excess of plan assets	**7,788,572**	1,442,684
Unrecognized asset due to effect of asset ceiling	**(2,455,875)**	(1,719,724)
Defined benefit asset (obligation)	**5,332,697**	(277,040)

The movements in the present value of the post-employment defined benefit obligation recognized in the books are as follows:

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**13,902,683**	12,157,190
Interest cost	**834,161**	571,388
Current service cost	**648,424**	548,384
Remeasurements:		
Actuarial losses (gains) arising from:		
Experience adjustments	**(1,810,012)**	850,312
Changes in financial assumptions	**(28,422)**	(224,591)
Balance at end of year	**13,546,834**	13,902,683

The movements in the fair value of plan assets are presented below.

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**15,345,367**	14,455,200
Actuarial gain	**5,069,317**	210,773
Interest income	**920,722**	679,394
Balance at end of year	**21,335,406**	15,345,367

The composition of the fair value of plan assets at the end of each reporting period by category is shown below.

(Amounts in PHP)	**2024**	2023
Cash and cash equivalents	**23,469**	55,243
Government bonds	**9,940,166**	8,622,562
Other bonds	**1,369,733**	-
UITFs	**10,002,038**	6,667,562
	21,335,406	15,345,367

The fair values of the government bonds were determined based on quoted market prices in an active market (classified as Level 1 of the fair value hierarchy), while the fair values of UITFs are generally measured based on the net asset value of the investment, computed and determined at the end of each reporting period based on the closing market and trade prices of the securities comprising the fund's portfolio, adjusted for the effect of performance of the funds including all trades made within the funds and the related income and expenses arising therefrom (classified as Level 2 of the fair value hierarchy).

The plan assets incurred actual return (loss) of P5,990,039, P890,167 and (P5,852,662) in 2024, 2023 and 2022, respectively.

As of December 31, 2024 and 2023, the plan assets do not comprise any of the Company's own financial instruments.

The components of amounts recognized in statements of comprehensive income in respect of the post-employment defined benefit plan are as follows:

(Amounts in PHP)	**2024**	2023	2022
Reported in profit or loss:			
Current service cost	**648,424**	548,384	567,429
Net interest expense (income)	**16,622**	(24,219)	(313,566)
	665,046	524,165	253,863
Reported in other comprehensive income –			
Actuarial gains (losses) arising from:			
Return on plan assets	**5,069,317**	210,773	(6,886,332)
Experience adjustments	**1,810,012**	(850,312)	867,318
Changes in the effect of the asset ceiling	**(632,968)**	146,775	684,793
Changes in financial assumptions	**28,422**	224,591	(57,067)
	6,274,783	(268,173)	(5,391,288)

Current service cost is recorded as part of Salaries and Employee Benefits in the statements of comprehensive income (see Note 19.1).

In 2024, the company incurred a net interest expense of P16,622 and is included under Interest Expense in the 2024 statement of comprehensive income. Conversely, in 2023 and 2022, the company recognized net interest income of P24,219 and P313,566, respectively, which is included under Interest Income in the 2023 and 2022 statements of comprehensive income.

Amount recognized in other comprehensive income is presented as an item that will not be reclassified subsequently to profit or loss.

In determining the amounts of the defined benefit post-employment obligation, the following significant actuarial assumptions were used:

	2024	2023	2022
Discount rate	**6.18%**	6.00%	4.07%
Salary growth rate	**5.00%**	5.00%	5.00%

Assumptions regarding future mortality are based on published statistics and mortality tables. The average remaining working lives of employees before retirement at the age of 60 is 2.5 years for both males and females in 2024, and 8.5 years for both males and females in 2023. These assumptions were developed by management with the assistance of an independent actuary.

Discount factors are determined close to the end of each reporting period by reference to the interest rates of zero-coupon government bonds with terms to maturity approximating to the terms of the post-employment defined benefit obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

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

(i) *Investment and Interest Rate Risk*

The present value of the post-employment defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has relatively balanced investment in cash and cash equivalents, debt securities, and UITFs. Due to the long-term nature of the plan obligation, a level of continuing debt securities and UITF investments is an appropriate element of the Company's long-term strategy to manage the plan efficiently and provide liquidity as need arises.

(ii) *Longevity and Salary Risks*

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

(d) *Other Information*

(i) *Sensitivity Analysis*

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the defined benefit asset as of December 31:

	Impact on Post-employment Defined Benefit Asset		
(Amounts in PHP)	**Change in Assumption**	**Increase in Assumption**	**Decrease in Assumption**
2024			
Discount rate	**+/-1.0%**	**154,461**	**(160,434)**
Salary growth rate	**+/-1.0%**	**(160,710)**	**157,637**

(Amounts in PHP)	Impact on Post-employment Defined Benefit Asset Change in Assumption	Increase in Assumption	Decrease in Assumption
2023			
Discount rate	+/-1.0%	163,861	(171,518)
Salary growth rate	+/-1.0%	(171,518)	166,942

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the post-employment defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting period, which is the same as that applied in calculating the post-employment defined benefit obligation recognized in the statements of financial position.

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

(ii) *Asset-liability Matching Strategies*

To efficiently manage the retirement plan, the Company ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve those long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in long-term fixed interest securities (i.e., government bonds) with maturities that match the benefit payments as they fall due and in the appropriate currency. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations.

In view of this, investments are made in reasonably diversified portfolio, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of the plan assets as of December 31, 2024 and 2023 consists of debt securities, although the Company also invests in UITFs and cash and cash equivalents for liquidity purposes.

There has been no change in the Company's strategies in managing the related risks from the previous period.

(iii) *Funding Arrangements and Expected Contributions*

Based on the latest actuarial valuation report, the plan is overfunded by P7,788,772. Management is yet to assess the amount of contribution for the next reporting period.

The maturity profile of undiscounted expected benefit payments from the plan for the next five years amounts to P14,459,928 and P14,848,377 as of December 31, 2024 and 2023, respectively.

The weighted average duration of the post-employment defined benefit obligation at the end of each reporting period is 1.2 years in 2024 and 2023.

20. OTHER EXPENSES

This account consists of:

(Amounts in PHP)	Note	**2024**	2023	2022
Commission		**11,096,335**	11,023,524	10,382,675
Insurance		**340,089**	300,308	408,112
Condominium dues		**74,460**	182,070	58523
Unrealized loss on financial assets at FVTPL	8	**55,939**	-	1,902,776
Communication, light and water		**4,608**	17,566	59,360
Travel and transportation		**2,750**	2,400	24,930
Miscellaneous		**646,059**	393,729	364,744
		12,220,240	11,919,597	13,201,120

Commission expense pertains to referral fees paid to agents looking for loan funders on behalf of the Company. The outstanding payable from commissions amounting to P804,810 and P770,115 as of December 31, 2024 and 2023, respectively, is presented as part of Others under Other Liabilities account in the statements of financial position, respectively (see Note 17).

Miscellaneous includes listing fees, office supplies, membership dues and expenses for meetings and conferences.

21. INCOME TAXES

The components of tax expense as reported in statements of comprehensive income are as follows:

(Amounts in PHP)	**2024**	2023	2022
Current tax expense:			
Minimum corporate income tax (MCIT) at 2% in 2024, 1.5% in 2023 and 1% in 2022	**579,783**	240,780	303,501
Final tax at 20%	**900**	2,248	2,030
	580,683	243,028	305,531

A reconciliation of tax on pre-tax loss computed at the applicable statutory rates to tax expense is as follows:

(Amounts in PHP)	**2024**	2023	2022
Tax on pretax loss at 25%	**(97,743,288)**	(78,001,903)	(86,045,489)
Adjustment for income subjected to lower income tax rate	**(273)**	(672)	(629)
Tax effects of:			
Unrecognized DTA on NOLCO and MCIT	**94,013,504**	100,358,685	82,668,422
Non-deductible expenses	**4,361,891**	3,060,115	3,917,473
Unrecognized deferred taxes on other temporary differences	**(46,996)**	(144,887)	(231,621)
Non-taxable income	**(4,155)**	(25,028,310)	(2,625)
Tax expense	**580,683**	243,028	305,531

The Company did not recognize the net deferred tax assets arising from the following temporary differences as management believes that the tax benefits may not be utilized in the coming years.

(Amounts in PHP)	**2024**		2023	
	Amount	**Tax Effect**	Amount	Tax Effect
NOLCO	**1,602,258,787**	**400,564,697**	1,228,523,903	307,130,976
Allowance for impairment of receivables	**96,558,769**	**24,139,692**	96,558,769	24,139,692
Allowance for non-recoverability of deferred oil exploration costs	**15,418,003**	**3,854,501**	15,418,003	3,854,501
Post-employment defined benefit obligation (asset)	**(5,332,697)**	**(1,333,175)**	277,040	69,259
Past service cost	**1,819,950**	**454,988**	2,672,977	668,244
MCIT	**1,124,064**	**1,124,064**	1,056,405	1,056,405
Accrued short-term employee benefits	**581,750**	**145,438**	581,750	145,438
	1,712,428,626	**428,950,205**	1,345,088,847	337,064,515

In 2024 and 2023, the Company is subject to the MCIT which is computed at 2.0% and 1.5%, respectively, of gross income net of allowable deductions, as defined under the tax regulations, or to RCIT, whichever is higher.

The Company's unexpired MCIT is shown below (amounts in PHP).

Year Incurred	**Amount**	**Expired**	**Balance**	**Valid Until**
2024	579,783	-	579,783	2027
2023	240,780	-	240,780	2026
2022	303,501	-	303,501	2025
2021	512,044	(512,044)	-	2024
	1,636,108	**(512,044)**	**1,124,064**	

The Company's unexpired NOLCO is shown below (amounts in PHP).

Year Incurred	Amount	Balance	Valid Until
2024	373,734,884	373,734,884	2027
2023	400,471,618	400,471,618	2026
2022	329,459,684	329,459,684	2025
2021	259,753,259	259,753,259	2026
2020	238,839,342	238,839,342	2025
	1,602,258,787	**1,602,258,787**	

In 2024, 2023 and 2022, the Company claimed itemized deductions in computing for its income tax due.

22. COMMITMENTS AND CONTINGENCIES

22.1 Operating Lease Commitments – Company as Lessor

The Company is a lessor under non-cancellable operating lease agreements covering certain condominium units. The leases have a term of two years, with renewal options, but without escalation clauses. The future minimum rentals receivable under these non-cancellable operating leases which are due within one year amounted to P4,314,808 as of December 31, 2024 and 2023.

Rental income earned from these operating leases is included as part of Others under Revenues section in the statements of comprehensive income (see Note 11.3).

22.2 Others

There are other commitments and contingent liabilities that arise in the normal course of the Company's operations which are not reflected in the financial statements. As of December 31, 2024, management is of the opinion that losses, if any, from these events and conditions will not have a material effect on the Company's financial statements.

23. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The maturity analysis of assets and liabilities as at December 31, 2024 and 2023 is presented below.

(Amounts in PHP)	**Current**	**Non-current**	**Total**
December 31, 2024			
Cash	3,726,342	-	3,726,342
Receivable - net	1,741,686,461	9,610,441	1,751,296,902
Due from subsidiaries	369,452,716	-	369,452,716
Investments:			
At FVTPL	120,828	-	120,828
At FVOCI	-	2,854,787,918	2,854,787,918
Investment in subsidiaries - net	-	683,586,365	683,586,365
Property and equipment - net	-	2,200,000	2,200,000
Other assets - net	-	92,137,805	92,137,805
Total Assets	**2,114,986,347**	**3,642,322,529**	**5,757,308,876**
Interest-bearing loans and borrowings	5,203,303,130	-	5,203,303,130
Due to a subsidiary	466,301,778	-	466,301,778
Other liabilities	50,067,754	1,280,010	51,347,764
Total Liabilities	**5,719,672,662**	**1,280,010**	**5,720,952,672**
December 31, 2023			
Cash	6,818,100	-	6,818,100
Receivable – net	2,021,820,853	9,611,823	2,031,432,676
Due from subsidiaries	417,893,479	-	417,893,479
Investments:			
At FVTPL	61,930,552	-	61,930,552
At FVOCI	-	2,312,507,675	2,312,507,675
Investment in subsidiaries - net	-	683,586,365	683,586,365
Property and equipment - net	-	2,296,000	2,296,000
Other assets - net	-	86,689,229	86,689,229
Total Assets	2,508,462,984	3,094,691,092	5,603,154,076
Interest-bearing loans and borrowings	5,133,166,582	-	5,133,166,582
Due to a subsidiary	547,539,996	-	547,539,996
Other liabilities	40,911,074	1,280,168	42,191,242
Total Liabilities	5,721,617,652	1,280,168	5,722,897,820

24. SUPPLEMENTARY INFORMATION ON LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below and in the succeeding page is the supplemental information on the Company's liabilities arising from financing activities:

(Amounts in PHP)	**Interest-bearing loans and borrowings** (see Note 16)	**Due to a Subsidiary** (see Note 11.1)	**Total**
Balance at January 1, 2024	5,133,166,582	547,539,996	5,680,706,578
Cash flows from financing activities:			
Borrowings during the year	1,715,061,347	1,696,676,779	3,411,738,126
Repayment of borrowings	(1,644,924,799)	(1,777,914,997)	(3,422,839,796)
Balance as of December 31, 2024	**5,203,303,130**	**466,301,778**	**5,669,604,908**

(Amounts in PHP)	Interest-bearing loans and borrowings (see Note 16)	Due to a Subsidiary (see Note 11.1)	Total
Balance at January 1, 2023	5,491,976,553	413,763,373	5,905,739,926
Cash flows from financing activities:			
Borrowings during the year	1,563,321,134	2,544,045,831	4,107,366,965
Repayment of borrowings	(1,922,131,105)	(2,410,269,208)	(4,332,400,313)
Balance as of December 31, 2023	5,133,166,582	547,539,996	P5,680,706,578

25. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

Following is the supplementary information on taxes, duties, and license fees paid or accrued during the taxable year which is required by the Bureau of Internal Revenue (BIR) under its existing Revenue Regulations No. 15-2010 to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS Accounting Standards.

(a) Output VAT

In 2024, the Company declared output VAT as follows (amounts in PHP):

	Tax Base	**Output VAT**
Taxable sales:		
Rendering of services	25,150,465	3,018,056
Other operating income	3,853,894	462,467
	29,004,359	**3,480,523**

The net outstanding VAT payable as of December 31, 2024 is P2,200,513.

The tax base for revenues from rendering of services and other operating income is based on gross receipts; thus, these may not agree with the amounts recognized in the 2024 statement of comprehensive income.

(b) Input VAT

The movements in input VAT for the year ended December 31, 2024 are summarized below (amounts in PHP).

Balance at beginning of year	-
Domestic purchase of services	1,278,636
Domestic purchase of goods other than capital goods	1,374
Applied against output VAT	(1,280,010)
Balance at end of year	**-**

(c) *Documentary Stamp Tax (DST)*

In 2024, the Company incurred and paid DST amounting to P17,930,850, which is presented as part of Taxes and Licenses in the 2024 statement of comprehensive income.

The DST was paid in connection with the loans obtained from various individual and corporate funders.

(d) *Taxes and Licenses*

The breakdown of taxes and licenses for 2024 is shown below (amounts in PHP).

DST	17,930,850
Licenses and permits	976,634
Real property taxes	105,739
Miscellaneous	8,077
	19,021,300

(e) *Withholding Taxes*

The composition of withholding taxes for the year ended December 31, 2024 is shown below (amounts in PHP).

Expanded	7,174,927
Compensation and benefits	131,627
	7,306,554

The Company had no transactions subject to final withholding tax in 2024.

(f) *Deficiency Tax Assessments and Tax Cases*

As of December 31, 2024, the Company does not have any final deficiency tax assessments from the BIR nor does it have tax cases outstanding or pending in courts or bodies outside of the BIR in any of the open taxable years.

(g) *Other Required Tax Information*

The Company has not paid nor accrued any excise taxes, custom duties or tariff fees as it has no importations for the year ended December 31, 2024.